

CONFERENCE COMMITTEE REPORTS

Conf. Com. Rep. 1-16 on H.B. No. 2362

The purpose of this measure is to conform the membership and duties of the Hawaii Workforce Development Council to the requirements of the federal Workforce Innovation and Opportunity Act of 2014.

Your Committee on Conference has amended this measure by 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. 2362, 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. 2362, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kahele and Kim.

Managers on the part of the Senate.

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

Representatives Nakashima, San Buenaventura, Brower and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 2-16 on S.B. No. 2121

The purpose of this measure is to:

- (1) Make permanent Act 221, Session Laws of Hawaii 2014, which enables county council members to attend public meetings of a different board or community group while remaining in compliance with the State's Sunshine Law requirements for open public meetings and records; and
- (2) Require each county council to submit an annual report, including any recommendations or proposed legislation, to the Legislature prior to the convening of each regular session on the effectiveness and application of procedural requirements for compliance with Act 221, Session Laws of Hawaii 2014.

Your Committee on Conference finds that county council members must sometimes attend public board and community group meetings to fulfill their duty to the public to stay informed on developing policy issues throughout their respective counties. Act 221, Session Laws of Hawaii 2014 (Act 221), provides county council members with the ability to attend such meetings that are open to the public by holding a limited meeting that may have less than a quorum of the council members. Your Committee on Conference further finds that Act 221 will be repealed on June 30, 2016. This measure will make Act 221 permanent and preserve the ability of county council members to attend public board and community meetings and hear issues of importance to the community. This measure also requires each county council to submit an annual report to the Legislature that details the council's use of this limited meeting provision.

Your Committee on Conference has amended this measure by changing the effective date to June 29, 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. 2121, 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. 2121, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Keith-Agaran and Slom.

Managers on the part of the Senate.

Ayes, 2. 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. 3-16 on H.B. No. 2350

The purpose of this measure is to:

- (1) Update certain statutory references for "foster boarding home" to "resource family home" and "foster parents" to "resource caregivers";
- (2) Establish qualified immunity from liability for resource caregivers and child caring institutions that authorize a child's participation in activities pursuant to the reasonable and prudent parent standard;
- (3) Add the requirement that resource caregivers and child care institutions use the reasonable and prudent parent standard when authorizing children in foster care to participate in extracurricular, enrichment, cultural, and social activities; and
- (4) Require courts, in proceedings for children aged fourteen years or older, to make findings and include in the permanent plan the services needed to assist the child to transition from foster care to independent living.

Your Committee on Conference has amended this measure by:

- (1) Amending the purpose section to clarify the intent of the measure;
- (2) Changing its effective date to July 1, 2016; 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. 2350, 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. 2350, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Keith-Agaran and Ruderman.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Morikawa, Rhoads, Kobayashi and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 4-16 on H.B. No. 2343

The purpose of this measure is to bring state law into alignment with changes to the federal Child Care and Development Block Grant, Public Law 113-186 to ensure the health, safety, and well-being of children under the grant, including by requiring the Department of Human Services to conduct background checks, including sex offender registry checks, on household members and all employees of child care facilities and providers that are licensed or registered by or receive child care subsidies from the State.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2016; 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. 2343, 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. 2343, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Baker, Keith-Agaran and Riviere.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Morikawa, Belatti, Rhoads and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 5-16 on S.B. No. 2395

The purpose of this measure is to enhance access to care via telehealth, including:

- (1) Requiring Medicaid managed care and fee-for-service programs to provide reimbursement for services provided by telehealth in the same manner as those provided in person;
- (2) Ensuring that services provided by telehealth are consistent with privacy, security, and confidentiality laws;
- (3) Specifying medical professional liability insurance policy requirements for telehealth coverage;
- (4) Requiring written disclosure of coverage and benefits associated with telehealth;
- (5) Lifting restrictions and limitations on patient setting and applicable telehealth technology;
- (6) Clarifying relationship requirements between patients, insurers, and providers; and
- (7) Clarifying other reimbursement requirements for telehealth, including reimbursement requirements for Hawaii Employer-Union Health Benefits Trust Fund health benefits plans.

Your Committee on Conference finds that telehealth is a proven, efficient, and effective way to facilitate timely access to quality health care, improve health outcomes, reduce the incidence of avoidable urgent and emergent care, and ensure equitable distribution of health care providers. The use of telehealth allows health care providers to treat patients in settings that are more convenient and comfortable for the patient, which facilitates a patient-centered approach for delivery of health care services.

Your Committee on Conference further finds that telehealth is used extensively throughout the country and can be particularly effective in states like Hawaii, where many segments of the population, particularly in rural and medically underserved areas, experience challenges in accessing quality health care. This measure removes artificial barriers to telehealth that have contributed to poor adoption and utilization of telehealth by health care providers, in order to improve the quality and accessibility of health care for patients throughout the State.

Your Committee on Conference has amended this measure by changing its effective date to January 1, 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. 2395, 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. 2395, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland, English, Kidani and Ruderman.

Managers on the part of the Senate.

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

Representatives Belatti, Morikawa, McKelvey, Kobayashi, Creagan and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 6-16 on S.B. No. 2583

The purpose of this measure is to mandate the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems.

Your Committee on Conference finds that Act 187, Session Laws of Hawaii 2015, authorized the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems. Composting toilets have been proposed as a means to bring toilet facilities to populations without adequate access to sanitation facilities, such as individuals living in areas where geological features or the limits of existing infrastructure make the use of conventional toilets and septic systems impracticable, or homeless individuals living in encampments. This measure requires counties to approve the installation of composting toilets.

Your Committee on Conference has amended this measure by making it 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. 2583, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2583, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Gabbard, English and Slom.

Managers on the part of the Senate.

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

Representatives Morikawa, Kobayashi, Creagan and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 7-16 on H.B. No. 2501

The purpose of this measure is to allow the Board of Land and Natural Resources to authorize the holdover of a previously authorized water rights lease during the pendency of an application to renew the lease.

Your Committee finds that as the State undergoes economic and environmental changes, it will be a challenge to achieve the goal of a sustainable, well-managed community in which food is grown locally and fresh water sources remain available for reasonable, beneficial uses. Your Committee believes that without continued access to a water source, there may be significant economic and social impacts on Hawaii's agricultural community and sustainability goals.

Your Committee notes that the Judge's decision in *Carmichael, et al. v. Board of Land and Natural Resources* (Civ. No. 15-1-0650-04), has created a very serious situation for agriculture in the State and brought into question the validity of water and land revocable permits. This uncertainty clouds the future not only of the lands used to grow sugar on Maui but for permit holders across the State.

Your Committee finds that there are currently nine holders of long-standing revocable water permits other than the one currently being litigated. Two of the nine holders are the local electric companies on Kauai and the Big Island, who use state water to generate hydropower. The other seven are ranchers, farmers and small businesses on Kauai and the Big Island, who use state waters to support their businesses. Many other users of agricultural lands have testified in support of a solution, worried that their operations too may also be in jeopardy.

The situation on Maui, though, is emblematic of the challenges that the State faces when one era ends and a new future is contemplated. Your Committee finds that it is in the State's interest to respond to the closure of the sugar industry and to facilitate the revitalization of Maui's economy.

This change has had a very real impact on peoples' lives as 650 people have lost their jobs. The abrupt termination of water rights on Maui could have even more serious consequences for the community as the Attorney General's Office worried that:

"[N]ot continuing the permit could result in people being left with no drinking water, farmers being left with no water for their fields, and schools and hospitals being forced to shut down."

This is water that is delivered to the County of Maui's upcountry Maui water treatment plant, serving the water needs of 36,000 upcountry residents and farmers, and to support the transition to diversified agriculture. Recently announced efforts to transition to diversified agriculture may be in jeopardy without an adequate supply of reliable, cost-efficient water.

Embracing this transition is in line with the State's constitutional duty to conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands. Currently, there are 27,000 acres of Important Agricultural Lands whose status may be threatened if water rights were terminated. According to section

205-50, Hawaii Revised Statutes, "if a sufficient supply of water is no longer available to allow profitable farming of the land" a landowner may petition to remove the Important Agricultural Lands designation. It is estimated that any less than 3,500 gallons of water per acre per day would put that status of those 27,000 acres in jeopardy.

Your Committee also notes that along with this measure, two positions were provided for in the budget to expedite the applications to continue previously-authorized dispositions of water rights. In addition \$1.5 million will be spent on a United States Geological Survey study on streams statewide.

Your Committee finds that the provision of drinking water; the generation of clean, renewable energy; and the support of agriculture and agricultural lands has a clear value to the public. The intent of this measure is to provide for a three year window to resolve applications to continue a previously authorized water use by the Department of Land and Natural Resources in order to prevent their abrupt cessation and the resulting negative social and economic impacts that would threaten our communities.

Your Committee on Conference amended this measure by:

- (1) Deleting the appropriation for the Department of Land and Natural Resources to hire for two positions to expedite applications to continue previously-authorized dispositions of water rights;
- (2) Clarifying that this measure is applicable to applications for the disposition of water rights that are pending before the Board of Land and Natural Resources on its effective date or filed prior to June 30, 2019; and
- (3) Making technical nonsubstantive changes 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. 2501, 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. 2501, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Tokuda, Dela Cruz and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Yamane, Rhoads, Luke, Cullen and Fukumoto Chang.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 8-16 on S.B. No. 2540

The purpose of this measure is to expedite the development or expansion of a forensic facility at the Hawaii State Hospital by authorizing the Governor to negotiate directly with any person to construct the facility. This measure also provides for an extended review and comment period for an environmental assessment or environmental impact statement.

Your Committee on Conference finds that the Department of Health is proposing to undertake the construction of a new building at the Hawaii State Hospital. The new building is of high priority because of census and health and safety issues at the hospital. To expedite the development, the Department of Health and Department of Accounting and General Services intend to use the design-build process. However, the Department of Health and Department of Accounting and General Services may need more flexibility, such as the mechanism proposed by this measure, to allow the Governor to expedite the development of a critically needed building.

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. 2540, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2540, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Belatti, Luke, Kobayashi and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 9-16 on S.B. No. 2861

The purpose of this measure is to repeal the Joint Formulary Advisory Committee.

Your Committee on Conference finds that the Joint Formulary Advisory Committee's sole function is to determine the formulary for advanced practice registered nurses with prescriptive authority. However, the Board of Nursing, as the authority that oversees the practice of nursing in Hawaii, including advanced practice registered nurses with prescriptive authority, ultimately makes the final determination on the exclusionary formulary. This measure repeals the Joint Formulary Advisory Committee, as it is obsolete and unnecessary, and permits the Board of Nursing to be the sole authority that determines the exclusionary formulary for qualified advanced practice registered nurses with prescriptive authority.

Your Committee on Conference has amended this measure by changing its 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. 2861, 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. 2861, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland and Slom.

Managers on the part of the Senate.

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

Representatives Belatti, McKelvey, Nishimoto, Creagan and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 10-16 on H.B. No. 1585

The purpose of this measure is to amend the law relating to guardianships of incapacitated adults by prohibiting appointed guardians of an incapacitated adult ward from restricting the personal communication rights of the ward, including the right to receive visitors, telephone calls, and personal mail, unless it is deemed to pose a risk to the safety or well-being of the ward.

Your Committee on Conference has amended this 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. 1585, 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. 1585, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kahele and Shimabukuro.

Managers on the part of the Senate.

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

Representatives Morikawa, Rhoads, Brower and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 11-16 on S.B. No. 2886

The purpose of this measure is to reduce barriers to accessing mental health services for minors by lowering the age of consent to receive treatment and services, other than prescription medication or out-of-home or residential treatment, from eighteen years of age to fourteen years.

Your Committee on Conference finds that requiring parental consent for minors to receive substance abuse treatment and family planning services may pose a barrier to health care. Minors may find desired mental health services inaccessible due to the discomfort and even opposition caused by obtaining parental consent. By allowing access to mental health services for consenting minors of a certain age, individuals seeking improved emotional and mental well-being may be served in a timely manner.

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. 2886, 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. 2886, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland and Keith-Agaran.

Managers on the part of the Senate.

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

Representatives Belatti, Rhoads, Luke, Morikawa and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 12-16 on S.B. No. 2788

The purpose of this measure is to amend the eligibility requirements for membership on the Molokai Irrigation System Water Users Advisory Board.

Specifically, this measure:

- (1) Authorizes agents, officers, or employees of Molokai irrigation system users to be Molokai Irrigation System Water Users Advisory Board members; and
- (2) Removes the requirement that Molokai Irrigation System Water Users Advisory Board members be active general excise tax licensees.

Your Committee on Conference finds that the Molokai Irrigation System is the only agricultural water source on Molokai and therefore sustains agriculture on Molokai. The Molokai Irrigation System Water Users Advisory Board advises the Department of Agriculture on matters concerning use of the system; therefore, it is necessary that the Board be able to establish a quorum and hold

official meetings frequently. Passage of this measure will facilitate the Board in conducting its duties in an efficient and effective manner.

Your Committee on Conference has 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 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. 2788, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2788, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English, Ruderman and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Tsuji, Yamane, DeCoite and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 13-16 on H.B. No. 1517

The purpose of this measure is to provide that the commission of certain offenses of assault, sexual assault, and abuse of a family or household member in the presence of a minor is an aggravating factor to be considered in the sentencing of the defendant convicted of the offense.

Your Committee finds that several states, including Arkansas, Idaho, Minnesota, Montana, New Jersey, Oregon, and Utah, elevate the offense or sentencing for various crimes that are committed in the presence of minors.

Your Committee also finds that research has shown that children who witness assault or domestic violence can suffer severe emotional and developmental difficulties that are similar to those of children who are victims of direct physical and mental abuse. By broadening the application of the aggravating factor considered by the courts when sentencing defendants convicted of committing certain crimes in the presence of a minor pursuant to section 706-606.4, Hawaii Revised Statutes, to include the commission of assault and sexual assault offenses regardless of the pre-existing legal relationship between the defendant and the victim or the child, this measure recognizes the impact that witnessing an assault has on a child. The use of the aggravating factor for sentencing does not elevate the seriousness of the offense charged.

Your Committee on Conference has amended this measure by making it 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 H.B. No. 1517, 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. 1517, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kim and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Rhoads, Hashem, San Buenaventura and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Hashem).

Conf. Com. Rep. 14-16 on H.B. No. 1668

The purpose of this measure is to facilitate the testimony of a vulnerable witness by authorizing the court to permit the use of a trained and credentialed facility dog that provides the witness with emotional support without causing a distraction during the court proceedings.

Your Committee on Conference has amended this measure by:

- (1) Specifying that an assistance dog organization for facility dog purposes be accredited by Assistance Dogs International or a similar internationally recognized organization; and
- (2) Making this measure 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. 1668, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1668, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Rhoads, Brower, Creagan and McDermott.

Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 15-16 on S.B. No. 2317

The purpose of this measure is to:

- (1) Require the Director of Health to submit annual reports to the Legislature relating to child and maternal deaths and death reviews in the State;
- (2) Allow the Department of Health to conduct multidisciplinary and multiagency reviews of maternal deaths;
- (3) Require, upon written request from the Director of Health, all providers of health care or social services and county and state agencies to disclose child death review information and to provide information or other materials relating to the condition and treatment of any person to the Department of Health, or its designee, for studies to reduce morbidity or mortality;
- (4) Allow the Department of Health to request certain information stored in electronic format or in paper copies, or gathered through interviews; and
- (5) Appropriate funds to the Department of Health to conduct child death reviews and implement a program to perform maternal death reviews.

Your Committee on Conference finds that comprehensive multidisciplinary reviews of child deaths are needed to understand risk factors, prevent future child deaths, and keep children in the State safe and healthy. Child death reviews provide in-depth, accurate, and timely information to assist with the administration of child health and protection programs and provide appropriate data reporting to federal and state agencies.

Your Committee on Conference further finds that comprehensive multidisciplinary reviews of maternal deaths are needed to understand risk factors for and prevent the deaths of mothers during pregnancy, labor, and the year following the birth of a child. This information would benefit policymakers and facilitate the establishment and administration of relevant programs.

Your Committee on Conference further finds that because comprehensive reviews of child and maternal deaths are a matter of ongoing concern and the program of reviews must be sustainable, funding to conduct child and maternal death reviews is necessary not only in the current biennium, but in subsequent biennia as well.

Your Committee on Conference has amended this measure by:

- (1) Repealing section 321-345, Hawaii Revised Statutes (HRS), and inserting similar contents related to the use of child death review information into section 321-343, HRS;
- (2) Further amending section 321-343, HRS, by adding provisions related to compliance with state and federal privacy statutes and regulations, use of child death review information, and liability protections and safeguards to privacy and confidentiality;
- (3) Specifying that the Department of Health may conduct multidisciplinary and multiagency reviews of maternal deaths to reduce the incidence of preventable maternal deaths;
- (4) Amending section 324-1, HRS, to add provisions regarding the disclosure of information or other data or material to the Department of Health, or its designee, for reducing maternal morbidity or mortality; access to medical records and interviews with hospital employees; compliance with state and federal privacy statutes and regulations; and liability protections and safeguards to privacy and confidentiality;
- (5) Inserting an appropriation amount of \$150,000 for the Department of Health to conduct child death reviews and implement a program for the performance of maternal death reviews;
- (6) Changing the effective date to July 1, 2016; 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. 2317, 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. 2317, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland and Kidani.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Belatti, Johanson, Creagan and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 16-16 on S.B. No. 2330

The purpose of this measure is to provide funding for and to extend the hospital sustainability program for one year. This measure also amends provisions related to:

- (1) The use of revenues derived from the hospital sustainability fee to enhance reimbursement rates and the drawdown of matched federal funds;

- (2) Hospital sustainability fee schedules, payment dates, and rates; and
- (3) The applicability of the hospital sustainability program to various types of hospitals, including certain children's, rehabilitation, and psychiatric hospitals.

Recognizing that Medicaid payments to hospitals were far below the actual costs of care, the Legislature created the hospital sustainability program by enacting Act 217, Session Laws of Hawaii 2012, which increases Medicaid payments to hospitals. The program achieves this increase by assessing a fee on hospitals, using the revenue to obtain matching federal Medicaid funds, and returning a majority of the combined amount directly to hospitals. Because of this program, Medicaid payments are now closer to the actual costs of care, thereby reducing losses and improving the financial stability of hospital systems. The program has made it possible for hospitals to cover eighty-six percent of their costs related to Medicaid patients, up from seventy-five percent without the program. Your Committee on Conference finds that the hospital sustainability program helps to ensure that Medicaid patients will maintain access to needed hospital care.

Your Committee on Conference has amended this measure by:

- (1) Specifying that payments made by Medicaid managed care health plans shall be made within thirty business days upon receipt of monthly capitation rates from the Department of Human Services;
- (2) Inserting an appropriation amount of \$65,000,000 out of the hospital sustainability program special fund for fiscal year 2016-2017 for the purposes of the hospital sustainability program special fund;
- (3) Changing the effective date to June 29, 2016; and
- (4) 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. 2330, 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. 2330, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland, Tokuda, Kidani and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Belatti, Morikawa, Kobayashi, Creagan and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 17-16 on S.B. No. 2560

The purpose of this measure is to:

- (1) Require the Department of Health to provide treatment and care for homeless individuals with serious and persistent mental health challenges to enable them to reside in a permanent dwelling unit or homeless facility and appropriate funds to provide such treatment and care;
- (2) Authorize the Director of Health to contract with any person for outreach services, with priority given to outreach services for homeless individuals with serious and persistent mental health challenges; and
- (3) Amend program elements of the community residential treatment system to include the provision of services for persons who are at risk of becoming homeless by reason of serious and persistent mental illness.

Your Committee on Conference finds that the issue of homelessness is complex, as there are many reasons why individuals become homeless, such as issues related to housing, poverty, access to health care, and mental health. A continuum of comprehensive services is needed to assist individuals with serious and persistent mental health issues in the State. Reaching out to these individuals and providing them with effective mental health treatment and care will help break the cycle of homelessness for many individuals with serious and persistent mental health challenges.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$500,000 to provide treatment and care for homeless individuals with serious and persistent mental health challenges to enable them to reside in a permanent dwelling unit or homeless facility; and
- (2) 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. 2560, 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. 2560, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland, Tokuda, Kidani and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Belatti, Morikawa, Luke, Oshiro and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Oshiro).

Conf. Com. Rep. 18-16 on S.B. No. 2671

The purpose of this measure is to:

- (1) Beginning on July 1, 2018, establish requirements for the regulation of veterinary technicians and the practice of veterinary technology;
- (2) Establish registration requirements and limitations on use of titles for veterinary technicians; and
- (3) Appropriate funds to implement the registration of veterinary technicians.

Your Committee on Conference finds that veterinary technicians are essential members of a veterinary health care team. Your Committee on Conference further finds that graduates from veterinary technician programs in Hawaii must travel out of the State to receive the title of “registered veterinary technician”, as that title is not currently recognized in Hawaii. Accordingly, this measure provides title protection for veterinary technicians and registered technicians, establishes criteria for registration, and makes clear that a licensed veterinarian is not precluded from utilizing support or auxiliary personnel.

Your Committee on Conference notes that since this measure provides title protection and registration for veterinary technicians, rather than full licensure, a reduction in the registration surcharge amount is appropriate.

Your Committee on Conference has amended this measure by:

- (1) Reducing the surcharge each veterinary technician must pay in addition to each new registration and registration renewal from \$100 to \$50;
- (2) Inserting an appropriation amount of \$30,000 from the compliance resolution fund to implement the registration of veterinary technicians; and
- (3) Changing its 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. 2671, 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. 2671, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Riviere, Kidani and Slom.

Managers on the part of the Senate.

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

Representatives McKelvey, Johanson, Hashem and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 19-16 on S.B. No. 2213

The purpose of this measure is to:

- (1) Continue the nursing facility sustainability program for an additional year; and
- (2) Appropriate funds for fiscal year 2016-2017 from the nursing facility sustainability program special fund for uses consistent with the fund.

Your Committee on Conference finds that ensuring that nursing facilities remain financially viable is crucial for Hawaii residents to continue to have access to long term care resources. Your Committee on Conference notes that Medicaid patients make up the majority of nursing facilities’ patient population, and Medicaid payments are less than the actual costs of care. Your Committee on Conference recognizes that the nursing facility sustainability program increases Medicaid payments to Hawaii’s nursing facilities and has successfully helped these facilities to offset some of the losses that they incur while caring for the most underserved patients. Accordingly, your Committee on Conference finds that this measure will enable the nursing facility sustainability program to continue supporting the crucial services provided by nursing facilities.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$14,000,000 from the nursing facility sustainability program special fund for uses consistent with the nursing facility sustainability program special fund; 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. 2213, 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. 2213, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Baker and Tokuda.

Managers on the part of the Senate.

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

Representatives Belatti, Morikawa, Kobayashi, Creagan and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 20-16 on S.B. No. 2910

The purpose of this measure is to:

- (1) Clarify the Lieutenant Governor's rulemaking authority relating to Commissioners of Deeds;
- (2) Authorize the Lieutenant Governor to assess and collect fees and administrative fines relating to Commissioners of Deeds;
- (3) Clarify that the Lieutenant Governor is responsible for the Commissioners of Deeds program;
- (4) Increase the surety bond requirement for Commissioners of Deeds; and
- (5) Appropriate funds for the establishment and administration of the Commissioners of Deeds program.

Your Committee on Conference finds that Act 277, Session Laws of Hawaii 2013 (Act 277), 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 acknowledgments, 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.

Your Committee on Conference further finds that a working group, convened to discuss and analyze the implementation of Act 277, has determined that additional legislation and authorization are necessary to fully implement the Commissioners of Deeds program. This measure addresses the issues identified by the working group and provides the Office of the Lieutenant Governor with the authority and clarification needed to properly implement Act 277.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$60,000 for a Commissioner of Deeds specialist and the establishment and administration of the Commissioners of Deeds program; and
- (2) 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. 2910, 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. 2910, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives McKelvey, Johanson and Fukumoto Chang.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 21-16 on S.B. No. 3110

The purpose of this measure is to continue efforts to diversify Hawaii's economy, assist small businesses conducting innovative research with their efforts toward commercialization, and promote manufacturing by:

- (1) Extending, by one year, the lapse date for the appropriation of funds in Act 216, Session Laws of Hawaii 2015, for the Department of Business, Economic Development, and Tourism to provide grants and loans through the High Technology Development Corporation for federal Small Business Innovation Research Phase II and Phase III awards; and
- (2) Appropriating funds for fiscal year 2016-2017 for providing grants and loans for Phases II and III awards.

Your Committee on Conference finds that 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 the businesses awarded a grant and the State. Your Committee on Conference finds that this measure will ensure the continuation of the grant program for Phase II and Phase III awards and allow for more companies to achieve commercialization and increase the beneficial economic impacts of this program to the State.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$2,000,000 for fiscal year 2016-2017 for the purposes of providing grants and loans for Phases II and III awards; and
- (2) Changing the effective date for the fiscal year 2016-2017 appropriation 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. 3110, 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. 3110, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Galuteria, Espero and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Kawakami, Johanson, Kong and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 22-16 on S.B. No. 3109

The purpose of this measure is to increase economic development in the State through the promotion of manufacturing by:

- (1) Extending, for one year, the lapse date for the appropriation of funds in Act 215, Session Laws of Hawaii 2015, for the continuation of the manufacturing grant program in the High Technology Development Corporation; and
- (2) Appropriating funds for the manufacturing development program for the 2016-2017 fiscal year.

Your Committee on Conference finds that, recognizing the potential economic benefits provided by the manufacturing industry, the Legislature appropriated \$2,000,000 in the Regular Session of 2015 to establish a manufacturing grant program within the High Technology Development Corporation to assist companies with qualified manufacturing expenses. However, delays in establishing this program have occurred as the process for the adoption of rules has taken longer than expected. While the High Technology Development Corporation has prepared rules for this program, distribution of grant monies cannot occur until these rules are adopted. As the initial appropriation for this program lapses at the end of the current fiscal year, your Committee on Conference finds that extending the lapse date for funds appropriated in 2015 by one year will allow for the implementation of the manufacturing grant program, thereby strengthening Hawaii's manufacturing economy.

Your Committee on Conference has amended this measure by inserting an appropriation amount of \$1,000,000 for fiscal year 2016-2017 for the manufacturing grant program, including operational expenses.

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. 3109, 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. 3109, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Kawakami, Johanson, Tokioka and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 23-16 on S.B. No. 2476

The purpose of this measure is to:

- (1) Enhance early language services for children from birth to age five years who are deaf, hard of hearing, or deaf-blind within the Department of Health to support age-appropriate language development; and
- (2) Establish a working group for the purposes of investigating issues related to resources and tools for parents of children who are deaf, hard of hearing, or deaf-blind and improvements to the statewide system of services that support age-appropriate language development for children from birth to age five who are deaf, hard of hearing or deaf-blind.

Your Committee on Conference finds that early language acquisition is a key component in a child's social and educational development. Most children who are deaf, hard of hearing, or deaf-blind do not develop language in the same way that hearing children do, because most have had hearing parents who do not know how to communicate with a child who does not hear. Children who are deaf, hard of hearing, or deaf-blind often begin kindergarten without the necessary language skills to acquire the knowledge and academic competencies that will allow them to be successful in school and life, therefore it is imperative that a child who is deaf, hard of hearing, or deaf-blind develop language, in some form, as soon as possible.

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. 2476, 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. 2476, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Kidani, Dela Cruz, Espero and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Belatti, Takumi, Johanson, Creagan, Tokioka and Tupola.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, 1 (Creagan).

Conf. Com. Rep. 24-16 on S.B. No. 2672

The purpose of this measure is to amend various statutes to clarify the role of advanced practice registered nurses with regard to their authority and participation in the health care system.

Your Committee on Conference finds that advanced practice registered nurses provide a wide variety of health care services to people in Hawaii. Section 323-3, Hawaii Revised Statutes, requires each hospital within the State to allow advanced practice registered nurses to practice within the full scope of their practice, including as primary care providers. Advanced practice registered nurses are also recognized as participating primary health care providers for insurance purposes under the State's insurance code.

Your Committee on Conference further finds that certain sections within state law omit advanced practice registered nurses from the definitions or designations of health care entities who may provide health care, prescribe drugs, or sign forms. The outdated statutes must be amended to authorize increased participation by advanced practice registered nurses and recognize appropriately trained advanced practice registered nurses as primary care providers. Authorizing increased participation by advanced practice registered nurses in certain circumstances, especially with regard to global signature authority, will enable improved access to health care services, expedite the processing of paperwork, and provide optimal care at the initial point of access for Hawaii patients, especially in rural and underserved areas.

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. 2672, 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. 2672, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Espero and Kidani.

Managers on the part of the Senate.

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

Representatives Belatti, McKelvey, Tokioka and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 25-16 on H.B. No. 2389

The purpose of this measure is to allow the use of the Federal Reimbursement Maximization Special Fund for corrections workforce recruitment and retention.

Your Committee on Conference has amended this measure by changing its 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. 2389, 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. 2389, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Galuteria and Slom.

Managers on the part of the Senate.

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

Representatives Takayama, Yamashita, Onishi and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 26-16 on H.B. No. 1943

The purpose of this measure is to preserve access to health care for Medicaid recipients by:

- (1) Providing an inflationary adjustment to the long-term care reimbursement methodology used to reimburse facilities for Medicaid recipients for fiscal year 2016-2017; and
- (2) Appropriating funds for the inflationary adjustment.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation of \$1,553,559 to provide an inflationary adjustment to long-term care facilities' provider specific prospective payment rates; and
- (2) Changing its 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 H.B. No. 1943, 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. 1943, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Baker, Riviere and Green.

Managers on the part of the Senate.

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

Representatives Morikawa, Kobayashi, Oshiro and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 27-16 on H.B. No. 900

The purpose of this measure is to:

- (1) Provide that a person commits medical assistance fraud if the person knowingly makes or causes to be made a false statement or representation of a material fact relative to any medical assistance benefit;
- (2) Clarify that fraudulently applying for or renewing medical assistance benefits is a class C felony;
- (3) Clarify that an individual charged with the offense relating to an application for or renewal of a medical assistance benefit shall pay restitution equivalent to the amount of medical assistance benefits received; and
- (4) Extend the statute of limitations for prosecution of medical assistance fraud.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date 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. 900, 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. 900, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Keith-Agaran and Riviere.

Managers on the part of the Senate.

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

Representatives Morikawa, Rhoads, Brower and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 28-16 on S.B. No. 2566

The purpose of this measure is to provide capital for the development of affordable rental housing by transferring excess monies from the rental assistance revolving fund to the rental housing revolving fund.

Your Committee on Conference finds that more affordable rental housing is needed by the people of Hawaii. The rental housing revolving fund should be provided with additional funds to facilitate the development of more affordable rental housing projects. Additionally, the rental assistance revolving fund has a balance in excess of the immediate needs of the fund and, therefore, the excess monies should be transferred to the rental housing revolving fund to spur affordable rental housing projects.

Your Committee on Conference has amended this measure by:

- (1) Inserting an amount of \$9,500,000 to be transferred from the rental assistance revolving fund to the rental housing revolving fund on July 1, 2016;
- (2) Changing the effective date to July 1, 2016; 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. 2566, 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. 2566, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Harimoto, Chun Oakland and Galuteria.

Managers on the part of the Senate.

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

Representatives Hashem, Luke, Jordan and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 29-16 on S.B. No. 911

The purpose of this measure is to prohibit the use of latex gloves:

- (1) By personnel working in food establishments; and
- (2) With limited exceptions, by personnel working in dental health facilities or health care facilities, or by personnel providing ambulance services or emergency medical services.

Your Committee on Conference finds 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 an allergy to latex. Individuals with this allergy must be vigilant about latex exposure since there is currently no medically approved treatment except strict avoidance.

Your Committee on Conference has amended this measure by:

- (1) Removing exceptions for the use of latex gloves by personnel providing ambulance services or emergency medical services;
- (2) Changing the effective date to upon approval; provided that the provisions related to the prohibitions of the use of latex gloves shall take effect on January 1, 2017; 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. 911, 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. 911, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Belatti, Rhoads, DeCoite, Kobayashi and Fukumoto Chang.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 30-16 on H.B. No. 1702

The purpose of this measure is to amend the household and dependent care services income tax credit by changing the basis for calculating the applicable percentage for the credit and providing a credit ranging from 15 to 25 percent of the employment-related expenses paid by the taxpayer.

Your Committee on Conference has amended this measure to take effect upon its approval and apply to taxable years beginning after 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 H.B. No. 1702, 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. 1702, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Luke, Johanson, Nishimoto and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 31-16 on H.B. No. 2093

The purpose of this measure is to authorize the issuance of \$20,000,000 in special purpose revenue bonds to assist Goodwill Industries of Hawaii, Inc., and its affiliates with the planning, acquisition, construction, and renovation of its facilities, as well as assist them with other capital improvement projects in the State.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 2093, 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. 2093, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Chun Oakland and Slom.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Slom).

Representatives Morikawa, Kobayashi and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 32-16 on H.B. No. 2340

The purpose of this measure is to authorize the Department of Human Services to conduct criminal history record checks of alleged perpetrators of harm or threat of harm to a child and all adults living in the family home of an alleged child victim, without consent, when an assessment is required under the Child Protective Act.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date 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. 2340, 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. 2340, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Keith-Agaran and Riviere.

Managers on the part of the Senate.

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

Representatives Morikawa, Rhoads, Oshiro and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 33-16 on H.B. No. 1684

The purpose of this measure is to assist the Natural Energy Laboratory of Hawaii Authority (NELHA) in the development of lands under its control by exempting the operations of NELHA from the 15-year lease term limit on concessions or concession space on public property.

NELHA is a self-sufficient agency attached to the Department of Business, Economic Development, and Tourism. Currently, the lease of concessions or concession space on public land may not exceed a term of 15 years. NELHA operates the Hawaii Ocean Science and Technology Park on approximately 80 acres of public land in Kailua-Kona on the island of Hawaii. The plans for this park are to develop a large commercial and industrial complex or mall. However, a significant portion of this land is underdeveloped, as it is on barren lava, which requires an investment of over \$50,000 to grade a single acre, and the imposition of a 15-year lease term limit hinders NELHA's ability to find a developer willing to develop this area at such a significant cost.

While your Committee on Conference believes that simply exempting NELHA from the 15-year lease term limit would facilitate the ability of NELHA to find developers for its underdeveloped lands, your Committee on Conference finds that exempting the operations of NELHA from all bidding requirements for concessions or concession space on public property would be a more efficient and effective means of developing NELHA lands.

Accordingly, your Committee has amended this measure by exempting instead the operations of NELHA from bidding requirements for concessions or space on public property.

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. 1684, 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. 1684, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Kim and Inouye.

Managers on the part of the Senate.

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

Representatives Kawakami, Lowen, Keohokalole and Pouha.

Managers on the part of the House.

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

Conf. Com. Rep. 34-16 on S.B. No. 2392

The purpose of this measure is to promote the responsible use of opioid antagonists to treat drug overdoses by, among other things:

- (1) Providing immunity for health care professionals and pharmacists who prescribe, dispense, or distribute, and any persons who administer, an opioid antagonist such as naloxone hydrochloride to persons experiencing or at risk of experiencing an opioid-related drug overdose;
- (2) Beginning on January 1, 2017, authorizing emergency personnel and first responders to administer opioid antagonists to a person believed to be suffering from opioid-related drug overdose;
- (3) Requiring Medicaid coverage for opioid antagonists;
- (4) Allowing harm reduction organizations to store and distribute opioid antagonists under certain circumstances; and
- (5) Requiring the Department of Health to provide education and training related to opioid-related drug overdose prevention, recognition, and response, including opioid antagonist administration.

Your Committee on Conference finds that according to the Centers for Disease Control and Prevention, overdoses involving prescription painkillers are at epidemic levels. However, deaths caused by opioids are often preventable via timely administration of an opioid antagonist. As a result, over half of the states in the country have enacted some form of a 911 drug immunity law or have implemented a law or developed a pilot program to allow administration of medication, like naloxone hydrochloride, to reverse the effects of an opioid-related overdose. Studies have found that providing opioid overdose training and naloxone kits can help people identify signs of an opioid-related drug overdose and can help reduce opioid-related overdose mortality.

Your Committee on Conference has amended this measure by:

- (1) Deleting language that would have required the Department of Health to monitor adverse drug reaction to opioid antagonist use by requiring hospital emergency departments to report to the Department all adverse drug reactions occurring after administration of an opioid antagonist; 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. 2392, 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. 2392, S.D. 2, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Chun Oakland and Kidani.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 1 (Keith-Agaran).

Representatives Belatti, McKelvey, Rhoads, Luke, Creagan and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 35-16 on H.B. No. 2233

The purpose of this measure is to:

- (1) Require every physician, osteopathic physician, physician assistant, advanced practice registered nurse, and naturopathic physician applying for licensure or renewing a license to provide the licensing authority with a current electronic mail address as prescribed by the licensing authority;
- (2) Authorize licensing authorities to share the electronic mail address only with other state or federal agencies, upon request, for public health and safety purposes and for use by the licensing authority for any purpose related to the license; and
- (3) Require that laboratory data reported to the Department of Health regarding any individual affected by or suspected of being affected by a communicable or dangerous disease or condition include the individual's complete demographic information.

Your Committee recognizes the comments of the Department of Commerce and Consumer Affairs that full implementation of this measure with respect to the collection and sharing of email addresses of health care licensees will require approximately one-and-a-half to two years. In the meantime, the Department has committed to begin this process through the immediate collection of affected licensee information following this measure's enactment while long-term steps to implement this measure, including the revision of license applications and the adjustment of its licensing databases, are being taken.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2016; 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. 2233, 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. 2233, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland and Kidani.

Managers on the part of the Senate.

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

Representatives Belatti, Woodson, Lowen, Creagan and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 36-16 on H.B. No. 1852

The purpose of this measure is to clarify that nonprofit organizations may receive loans from the Water Pollution Control Revolving Fund to engage in activities that are consistent with the Federal Water Pollution Control Act, including the planning, design, and construction of wastewater treatment works. To achieve this purpose, this measure also permits use of the Revolving Fund for all purposes authorized under federal law and clarifies loan conditions.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2016; 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. 1852, 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. 1852, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, English and Kidani.

Managers on the part of the Senate.

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

Representatives Belatti, Cullen, Creagan and Tupola.

Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Creagan).

Conf. Com. Rep. 37-16 on H.B. No. 1111

The purpose of this measure is to:

- (1) Authorize the Hawaii Health Systems Corporation (HHSC) to set rates for copies of records protected from the disclosure requirements of Chapter 92F, Hawaii Revised Statutes, the Uniform Information Practices Act; and
- (2) Establish minimum and maximum rates for copies of medical records subpoenaed from any of HHSC's regional system facilities and require that rates charged be based on the facility's actual cost of preparation.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 1111, 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. 1111, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran and Chun Oakland.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Belatti, Rhoads, Cullen and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 38-16 on H.B. No. 1561

The purpose of this measure is to remedy the situation of an unlawful occupation of real property by amending the nuisance abatement law to authorize civil lawsuits that seek, among other things, an order of abatement that permanently prohibits the trespassers from residing on or entering onto the subject real property.

Your Committee on Conference finds that "squatting," to settle on land without title, right, or payment of rent, has become common in certain areas of this State and is a serious nuisance to the owners of the property, adjoining landowners, and neighboring residents. Squatting presents significant legal issues for land owners because the legal process to evict a squatter is costly and time consuming. The problems multiply when the squatter locates on property that has been abandoned by the owner. Because neighboring landowners and residents do not have a property interest in the abandoned parcel, they usually do not have effective legal tools to remove the squatter. There is a lack of effective remedies to protect against noise, drug use, unsanitary conditions, and other illegal activities in their neighborhoods.

This measure is intended to provide the landowners and the affected communities with a means to obtain relief from the nuisance created by squatters.

Your Committee on Conference has amended this measure by making it effective 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. 1561, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1561, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kahele and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Rhoads, San Buenaventura and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 39-16 on H.B. No. 1807

The purpose of this measure is to support members of the National Guard or Reserve of the Armed Forces who are also officers or employees of the State or the counties by allowing them to include inactive-duty training days in their 15 working days of annual paid military leave.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 1807, 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. 1807, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Keith-Agaran, Galuteria, Espero and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Ito, Nakashima, Nishimoto, Onishi and Fukumoto Chang.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 40-16 on H.B. No. 1756

The purpose of this measure is to protect public safety by ensuring that licensed nurses are safe to practice and care for patients by:

- (1) Requiring the Board of Nursing to conduct, as it deems appropriate, investigations of the background, character, competency, and integrity of qualified applicants for renewing, reinstating, reactivating, or restoring an applicant's license;
- (2) Beginning with the July 1, 2017, licensing biennium, requiring applicants for a license to practice nursing as a registered nurse, practical nurse, or advanced practice registered nurse, and beginning with the July 1, 2019, licensing biennium, requiring applicants for renewal or reactivation of their licenses, to submit a full set of electronic fingerprints for obtaining federal and state criminal history record checks to the Hawaii Criminal Justice Data Center for processing with the Federal Bureau of Investigation;
- (3) Requiring the Hawaii Criminal Justice Data Center to provide information on request to the Department of Commerce and Consumer Affairs (DCCA); and
- (4) Authorizing DCCA to conduct criminal history record checks on applicants for nurse licensure or license renewal, reactivation, or restoration.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2016; 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. 1756, 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. 1756, H.D. 3, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland, Keith-Agaran, Kidani and Ruderman.
Managers on the part of the Senate.
Ayes, 5. Noes, none. Excused, none.

Representatives Belatti, McKelvey, Rhoads, Cachola and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McKelvey).

Conf. Com. Rep. 41-16 on S.B. No. 2630

The purpose of this measure is to:

- (1) Authorize Hawaii Correctional Industries to sell inmate-made products and services on the open market to the general public;
- (2) Authorize portions of the proceeds from the sales to first be credited as restitution to victims, then to the State, and lastly, if any balance is remaining, to the inmate; and
- (3) Require the Department of Business, Economic Development, and Tourism to conduct a feasibility study on establishing a reentry academy for training and entrepreneurial resources.

Your Committee on Conference finds that the correctional industries program provides opportunities for committed persons to acquire marketable skills, prosocial behaviors, and positive work ethic while incarcerated, as well as reducing rates of recidivism after incarceration. Establishing a training and mentoring program to assist the reentry of incarcerated persons will also promote the acquisition of valuable skills and reduce the risk of recidivism. Your Committee on Conference further finds that the distribution of proceeds from the sale of inmate-made products and services is already provided for under existing law and that the inclusion of such language in this measure is redundant.

Your Committee on Conference has amended this measure by:

- (1) Removing language specifying the distribution of proceeds from the sale of inmate-made products and services; and
- (2) Inserting an appropriation amount of \$150,000 for the study to determine the feasibility of establishing the reentry academy for training and entrepreneurial 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 S.B. No. 2630, 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. 2630, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Takayama, Yamashita, San Buenaventura and Ward.

Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 42-16 on S.B. No. 2319

The purpose of this measure is to require health insurers in the State, including health benefits plans under the Hawaii Employer-Union Health Benefits Trust Fund and Medicaid managed care programs, to cover reimbursement for prescription contraceptive supplies intended to last for up to a twelve-month period for an insured.

Your Committee on Conference finds that insurance companies typically cover a thirty- or ninety-day supply of prescription contraceptives. However, these coverage requirements may act as a barrier for women, especially those who live in rural areas, frequently travel, are unable to schedule regular visits to health care providers, or are unable to readily pick up their prescriptions. Your Committee on Conference further finds that providing a greater number of prescription contraceptive supplies at one time is associated with higher continuation rates, fewer pregnancy tests, fewer unplanned pregnancies, and decreased health care costs per woman. This measure expands access to prescription contraceptives by requiring insurers to cover up to a twelve-month period of prescription contraceptive supplies for an insured.

Your Committee on Conference has amended this measure by:

- (1) Deleting references to “certified nurse midwife-delivered” medical services, as this is an arcane phrase no longer used by the health care industry;
- (2) Changing its effective date to July 1, 2016; provided that the required reimbursement for prescription contraceptive supplies shall apply to policies, contracts, plans, or agreements, including health benefits plans, issued or renewed on or after January 1, 2017; 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. 2319, 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. 2319, S.D. 1, H.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland and Kidani.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Belatti, McKelvey, LoPresti, Morikawa and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McKelvey).

Conf. Com. Rep. 43-16 on S.B. No. 2387

The purpose of this measure is to require the provision of written documentation of a physical examination performed within twelve months prior to attending seventh grade at a public school.

Your Committee on Conference finds that school physical examinations are currently only conducted upon entry into the public school system, usually in kindergarten. Expansion of physical examination requirements for students promotes a culture of wellness and preventative healthcare. This measure will require students entering seventh grade to complete a physical examination and provide a legal framework for the Department of Health to follow-up with the families of students who do not complete the physical examination.

Your Committee on Conference has amended this measure by:

- (1) Removing the requirement that the Department of Education’s annual list to the Department of Health of students who have not submitted appropriate written documentation be in an electronic format;
- (2) Removing the definition of “physical examination”;
- (3) Removing the appropriation to the Department of Health;
- (4) Changing the effective date to 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 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. 2387, 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. 2387, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Baker and Dela Cruz.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Takumi, Belatti, Cullen and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 44-16 on S.B. No. 2896

The purpose of this measure is to:

- (1) Require the Hawaii Labor Relations Board to serve complaints or require complainants to serve complaints by first class mail or electronic mail;
- (2) Require the Board to provide written notice of a hearing by first class mail; and
- (3) Authorize the Board to provide additional written notice of a hearing by electronic service through a company designated by the Board at least fifteen days before the scheduled date of the hearing.

Your Committee on Conference finds that under existing law, the Hawaii Labor Relations Board may serve complaints and notices of hearings on a party by delivery to the person, by mail, or by telegram. However, the electronic service of complaints and notices is a faster and less expensive method of service. Implementation of this measure will reduce costs and provide a more efficient process to accommodate all parties.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Hawaii Labor Relations Board to provide written notice of a hearing either by first class mail or electronic service rather than only allowing electronic service to be in addition to notice by mail; and
- (2) Making it effective 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 S.B. No. 2896, 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. 2896, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 45-16 on S.B. No. 2673

The purpose of this measure is to require a travel agency that sells activities individually or as part of a tour package to register with the Director of Commerce and Consumer Affairs as an activity desk.

Your Committee on Conference finds that travel agencies may also function as activity desks when the travel agencies sell or arrange activities furnished by an activity provider for travelers. However, these travel agencies are not currently required to register as an activity desk. Accordingly, this measure requires travel agencies that sell activities individually or as part of a tour package to register as an activity desk, which will ensure better protection for those consumers who purchase activities from travel agencies.

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. 2673, 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. 2673, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Brower, McKelvey, Woodson and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 46-16 on S.B. No. 2408

The purpose 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 deemed heirs property.

Your Committee on Conference 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 language that closely mirrors the Uniform Partition of Heirs Property Act, which establishes a hierarchy of remedies designed to protect a family's property holdings and real property wealth and is intended to provide cotenants with many of the protections and rights commonly found in private agreements governing the partition of tenancy in common property. Your Committee on Conference further finds that family members in a partition action may be unfamiliar with their rights under the partition action or may not be able to afford counsel. This measure addresses these concerns by requiring the court to determine, as a jurisdiction matter, whether the property in question is heirs property and also specifies that the court is responsible for appointing a special master to fulfill the notice requirements associated with an action for partition.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to January 1, 2017; 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. 2408, 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. 2408, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 47-16 on S.B. No. 2375

The purpose of this measure is to establish speed limits along certain portions of the Daniel K. Inouye Highway.

Your Committee on Conference finds that Route 200 on the Island of Hawaii, known locally as Saddle Road and recently renamed the Daniel K. Inouye Highway, traverses the width of the Island of Hawaii. Saddle Road stretches from downtown Hilo to the junction with Hawaii Route 190, near the town of Waimea, and often serves as a shorter route for people traveling from Kona to Hilo. While once known as one of the most dangerous roads in the State because of numerous one-lane bridges and areas of marginally maintained pavement, most of the road has now been repaved and major parts have new re-alignments constructed to modern standards.

Your Committee on Conference has amended this measure by:

- (1) Inserting a speed limit of sixty miles-per-hour beginning at mile marker 12;
- (2) Inserting a speed limit of forty-five miles-per-hour or any other speed limit as determined by the Department of Transportation along the highway beginning at Pohakuloa training area and ending one-half mile east of the Mauna Kea county park entrance; and
- (3) Changing the effective date to January 1, 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. 2375, 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. 2375, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Kidani, English and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Aquino, LoPresti, Nakashima and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 48-16 on H.B. No. 2034

The purpose of this measure is to support the Kaho'olawe Island Reserve Commission's restoration and management of the Kaho'olawe Island Reserve by requiring the Commission to submit a financial self-sufficiency and sustainability plan to the Legislature and appropriating funds for Commission activities including restoration and preservation of the Reserve's natural, cultural, and historic resources and its continued safe and meaningful use.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$450,000; and
- (2) Changing its 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 H.B. No. 2034, 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. 2034, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 49-16 on H.B. No. 2277

The purpose of this measure is to assist the King Kamehameha Celebration Commission in performing its duties by amending its membership and appointment process, clarifying the Commission's purpose and mission, and authorizing the appointment of an advisory committee and an Executive Director.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the Commission is not required to have a specified number of members;
- (2) Restoring the Kapahulu Music Club as an organization which shall be represented in the Commission's membership;
- (3) Changing its effective date to July 1, 2016; and
- (4) Making technical, nonsubstantive amendments for the purpose 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. 2277, 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. 2277, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Shimabukuro, Galuteria and Inouye.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Ing, Ito, Lowen, Tokioka and Ward.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 50-16 on H.B. No. 2077

The purpose of this measure is to permit the construction of small hydropower facilities in agricultural districts.

Specifically this measure:

- (1) Repeals the maximum five hundred kilowatt generating capacity for hydroelectric facilities in an agricultural district;
- (2) Authorizes, within agricultural districts, the construction of small hydropower facilities that meet the United States Department of Energy definition of small hydropower facility, including impoundment, diversion, run-of-river, and pumped storage facilities; and
- (3) Requires the approval of the Commission on Water Resource Management, including the establishment of new in stream flow standards, for the construction, within an agricultural district, of any hydroelectric facility that has a capacity of more than five hundred kilowatts.

Your Committee on Conference finds that permitting the construction, in an agricultural district, of hydroelectric facilities that have a generating capacity of more than five hundred kilowatts will provide the economies of scale necessary to make construction of hydroelectric infrastructure more economically viable. Your Committee on Conference believes that permitting construction of facilities that meet the federal definition of a small hydropower facility will promote the development of clean, renewable, and secure energy; contribute to a more efficient electricity grid; and lower the cost of energy in the State.

Your Committee on Conference has amended this measure by:

- (1) Limiting the requirement for the Commission on Water Resource Management to approve a hydroelectric facility to only new hydroelectric facilities that have the capacity to generate over five hundred kilowatts, rather than when such a facility requires a new or expanded diversion of water; and
- (2) Making technical nonsubstantive amendments for purposes of consistency and 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. 2077, 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. 2077, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Gabbard, Baker and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Lee, Yamane, Tsuji, McKelvey and Pouha.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 51-16 on H.B. No. 2231

The purpose of this measure is to expand the financing mechanisms available to Hawaii's energy sector by clarifying that special purpose revenue bonds can be used to finance publicly owned energy cooperatives.

Your Committee on Conference amended this measure by changing its 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 H.B. No. 2231, 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. 2231, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Baker, Riviere and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

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

Conf. Com. Rep. 52-16 on H.B. No. 32

The purpose of this measure is to reduce pedestrian confusion when using a crosswalk equipped with a countdown timer by clarifying that a pedestrian shall complete the pedestrian's crossing while the countdown time is operating.

Numerous crosswalks throughout Hawaii are now equipped with countdown timers which indicate how many seconds a pedestrian has to finish crossing the street before the pedestrian signal changes from a flashing "Don't Walk" or upraised palm signal to a steady "Don't Walk" or upraised palm signal. However, there is confusion among many pedestrians as to when they are allowed to cross the street at a location equipped with a countdown timer. Updating the statutory specifications of what pedestrian control signals mean, which were last amended in 1981, to address signalized crosswalks where countdown timers are used will reduce this confusion.

However, your Committee on Conference notes that confusion also exists as to when a driver is required to stop and yield to a pedestrian crossing the roadway which can lead to pedestrian injuries or even fatalities. Clarifying a driver's duty to stop and yield the right of way for a pedestrian by specifying when a pedestrian is considered to be crossing a roadway will help reduce confusion, allow for better enforcement of pedestrian safety laws, and will make Hawaii's streets safer for everyone.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Inserting language clarifying that a pedestrian is considered to be within an intersection or adjacent crosswalk when any part or extension of the pedestrian, including the pedestrian's body, wheelchair, cane, crutch, or bicycle, is beyond the curb or the edge of the roadway while the pedestrian is intending to proceed across the intersection or roadway; and
- (2) Clarifying that a pedestrian may not start to cross a roadway equipped with a countdown timer once the countdown timer has begun operating.

Your Committee on Conference has also 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. 32, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 32, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Aquino, Rhoads, Brower and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 53-16 on H.B. No. 901

The purpose of this measure is to assist the Harbors Division of the Department of Transportation (Harbors Division) in enforcing the laws of this State by:

- (1) Allowing the use of blue and red lamps, reflectors, or illumination devices on approved law enforcement vehicles of the Harbors Division; and
- (2) Amending the definition of "authorized emergency vehicle" to include Harbors Division law enforcement vehicles.

Under current law, appointed enforcement officers of the Harbors Division are conferred the powers of police officers and are tasked with enforcing the laws and regulations for harbors in the State. Despite this law enforcement responsibility and authority, the Harbors Division does not have the official and explicit authority to use law enforcement vehicles with emergency response lights. This measure will explicitly allow the use of emergency response lights on approved law enforcement vehicles of the Harbors Division and assist them in enforcing the laws of the State.

Your Committee on Conference has amended this measure by changing its effective date from July 1, 2030, 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. 901, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 901, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Aquino, Rhoads, LoPresti and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (LoPresti).

Conf. Com. Rep. 54-16 on H.B. No. 1011

The purpose of this measure is to ensure highway safety by prohibiting the use of certain types of motor vehicle wheels that are considered dangerous. Specifically, this measure:

- (1) Defines the term “dangerous wheels” to mean any wheel, wheel cover, hubcap, lug nut cover or cap, prong, or any ornamentation affixed to any of the aforementioned items that extends at least four inches beyond the portion of the wheel rim that extends furthest away from the vehicle and that may cause injury or property damage by minimal contact with a person or object; and
- (2) Prohibits any person from operating a vehicle, trailer, or semi-trailer equipped with dangerous wheels.

An increasing number of motor vehicles operating on Hawaii’s roadways are reportedly using wheels with a propensity to cause severe injury and property damage. By design, most of these wheels have parts that extend past their rim, and include items such as gorilla pokes, superpoke elbows, and giraffe necks. However, others not designed as such are just as dangerous due to the addition of aftermarket parts, such as lug nuts and wheel covers that bear sharp pointed projections. Your Committee on Conference finds that existing law does not address the inherent dangers associated with the use of this type of motor vehicle wheel and that prohibiting their use will improve public safety on Hawaii’s highways.

Your Committee on Conference has amended this measure by changing its effective date from January 7, 2059, 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. 1011, 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. 1011, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 55-16 on H.B. No. 1747

The purpose of this measure is to:

- (1) Allow a police officer to have a motor vehicle towed and impounded if the operator of the motor vehicle is arrested or cited for various traffic offenses, including driving under the influence of an intoxicant, with certain exceptions; and
- (2) Provide notice and administrative hearing requirements for the lien holder or registered owner to recover possession of the impounded motor vehicle or demand an administrative hearing to contest the basis given for the impoundment of the motor vehicle.

Your Committee on Conference finds that numerous drivers are cited each year for offenses such as operating a vehicle without a license, operating a vehicle with a suspended or revoked license, and operating a vehicle under the influence of an intoxicant. Unfortunately, many of these drivers continue to operate their motor vehicles immediately after receiving these citations. While allowing police officers to tow and impound a motor vehicle if the operator of that motor vehicle is arrested or cited for certain traffic offenses may act as a deterrent to this type of activity and make Hawaii’s roadways safer, your Committee on Conference finds that this action should be limited to serious traffic offenses.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Limiting the traffic violations for which a police officer may have a motor vehicle towed and impounded to when the driver of the vehicle is cited or arrested for operating a vehicle under the influence of an intoxicant and operating a vehicle after consuming a measurable amount of alcohol when the driver is under the age of 21;
- (2) Providing that the arresting officer must have reason to believe the arrested person is likely to return to the vehicle and continue to drive under the influence after being released from custody; and
- (3) Changing its effective date from July 1, 2030, 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. 1747, 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. 1747, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Nishihara, Keith-Agaran and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Aquino, Rhoads, Takayama and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 56-16 on H.B. No. 2305

The purpose of this measure is to provide assistance with financing to state agencies, counties, and private developers to increase the capacity of infrastructure facilities by authorizing the Hawaii Housing Finance and Development Corporation to:

- (1) Upon request by a county, establish and operate a regional state infrastructure subaccount within the Dwelling Unit Revolving Fund to be used for the benefit of housing and mixed-use transit-oriented development projects within the requesting county;
- (2) Expend funds within the subaccounts to repay private investors on their investments made into the subaccounts to finance capacity-increasing infrastructure improvements; and
- (3) Accept improved lands as repayment of loans made from a regional state infrastructure subaccount.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 2305, 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. 2305, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Harimoto, Dela Cruz and Galuteria.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Hashem, Jordan, Yamashita and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 57-16 on H.B. No. 2017

The purpose of this measure is to:

- (1) Authorize physicians to submit workers' compensation treatment plans to employers by mail or facsimile;
- (2) Beginning January 1, 2021, require employers to allow physicians to submit workers' compensation treatment plans to employers by mail or facsimile; and
- (3) Specify requirements for receipt and acceptance of treatment plans, including requiring an employer to file with the Director of Labor and Industrial Relations by mail or facsimile an objection to the treatment plan, evidence supporting the denial, and a copy of the denied treatment plan within ten business days after receipt.

Your Committee on Conference has amended this measure by:

- (1) Requiring, beginning January 1, 2021, an employer to allow a physician to submit a workers' compensation treatment plan to an employer by mail, facsimile, or secure electronic means;
- (2) Clarifying that a treatment plan will be deemed accepted if an employer fails to file with the Director of Labor and Industrial Relations an objection to the treatment plan, evidence supporting the denial, and a copy of the denied treatment plan, copying the physician and the injured employee;
- (3) Clarifying that after acceptance of the treatment plan, an employer may file an objection to the plan if new documentary evidence supporting the denial is received;
- (4) Changing its effective date from July 1, 2050, 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. 2017, 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. 2017, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Kidani and Shimabukuro.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Nakashima, McKelvey, Keohokalole and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 58-16 on H.B. No. 2018

The purpose of this measure is to:

- (1) Establish guidelines for the management of capital improvement projects; and
- (2) Require the Department of Accounting and General Services to submit a status report on the implementation of practices required by this measure no later than twenty days prior to the Regular Session of 2017.

Your Committee on Conference believes that this measure is necessary in light of the Office of the Auditor's Report No. 15-13, Study of State Departmental Engineering Sections That Manage Capital Improvement Projects, which found inconsistent adherence to best practices in the execution and application of capital improvement projects throughout state government. Anecdotal information suggests that work is completed with a "get the job done" attitude rather than with the goal of meeting program needs, project goals and objectives, and providing customer service.

While the Administration indicated an interest in pursuing these goals, your Committee on Conference believes that it is important to provide legislative guidance for the execution of this effort. This measure will require:

- (1) Using timelines that include a comprehensive list of all activities required on a project, including all phases in the project's life cycle, namely, the initiation, planning, design, bid, construction, and post-construction phases;
- (2) Tracking payments and deliverables in accordance with state procurement guidelines; and
- (3) Identifying and involving stakeholders throughout a capital improvement project's execution and closing to help ensure end-user satisfaction with the project.

Creating these uniform expectations will assist the Legislature in executing oversight on capital improvement project expenditures and provide a basis for future project authorizations.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 2018, 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. 2018, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kim, Dela Cruz and Slom.

Managers on the part of the Senate.

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

Representatives Nakashima, Keohokalole, Yamashita and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 59-16 on H.B. No. 1739

The purpose of this measure is to:

- (1) Prohibit, subject to certain exemptions, employers from:
 - (A) Requiring, requesting, or coercing employees or potential employees to disclose the username, password, or any other information for the purpose of accessing the employee's or potential employee's personal account;
 - (B) Requiring, requesting, or coercing employees or potential employees to provide access to the employee's or potential employee's personal account in the presence of the employer; and
 - (C) Coercing or compelling employees or potential employees to add anyone, including the employer, to the employee's or potential employee's list of contacts associated with a personal account;
- (2) Limit the liability of employers who inadvertently receive the username, password, or any other information that would enable the employer to gain access to the employee or potential employee's personal account through the use of a lawful technology that monitors the employer's network or employer-provided devices for network security or data confidentiality, except in certain situations; and
- (3) Establish a fine of not less than \$25 and not more than \$100, to be collected by the Director of Labor and Industrial Relations for a violation by the employer.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that employers may request or require an employee to share content regarding a personal account necessary to ensure compliance with applicable laws, regulatory requirements, or prohibitions against work-related employee misconduct; and
- (2) Removing the provision that an employer is not liable for deleting information received inadvertently.

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. 1739, 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. 1739, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Nakashima, Rhoads, LoPresti and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 60-16 on H.B. No. 1578

The purpose of this measure is to prevent the theft of cremation urns by:

- (1) Establishing the offense of theft of an urn, which includes obtaining an urn through any means described under the offense of theft under section 708-830, Hawaii Revised Statutes (HRS); intentionally desecrating a columbarium or an urn under section 711-1107, HRS; or violating the statement requirements of scrap dealers under section 445-233, HRS, as a class C felony; provided that the penalty imposed for the intentional desecration of an urn shall be pursuant to section 711-1107(3), HRS;
- (2) Requiring scrap dealers and persons who sell to scrap dealers to follow the same regulations and provide the same receipts, declarations, and verifications for the purchase of an urn that are required for the purchase of copper or a beer keg; and
- (3) Making the intentional desecration of a columbarium or urn an offense of desecration.

Your Committee on Conference has amended this measure by:

- (1) Removing from the elements of a theft of urn the intentional desecration of a columbarium or an urn under section 711-1107, HRS, and its corresponding penalty;
- (2) Deleting the section that makes it an offense of desecration to intentionally desecrate a columbarium or an urn; 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. 1578, 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. 1578, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kahele and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives McKelvey, Rhoads, Woodson and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 61-16 on H.B. No. 2030

The purpose of this measure is to prohibit the discharge of treated or raw sewage into state waters after December 31, 2049, except when used to create clean energy.

Your Committee on Conference has amended this measure by:

- (1) Changing to December 31, 2026, the date upon which the discharge of treated or raw sewage into state waters shall be prohibited; and
- (2) Changing its 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 H.B. No. 2030, 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. 2030, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Yamane, Lee, Cullen and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 62-16 on H.B. No. 2036

The purpose of this measure is to establish an automatic extension of the deadline for a decision by the Department of Land and Natural Resources on a conservation district land use permit application of ninety days beyond the time necessary to complete any required environmental impact statement or contested case hearing regarding the land use.

Your Committee on Conference has amended this measure by changing its 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. 2036, 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. 2036, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Wakai, Riviere and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Yamane, Rhoads, Cullen and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 63-16 on H.B. No. 2675

The purpose of this measure is to appropriate funds for research to combat rapid ohia death.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation amount to \$300,000;
- (2) Changing the expending agency to the Department of Agriculture; and
- (3) Making the measure effective 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. 2675, 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. 2675, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English, Nishihara and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Yamane, Onishi, Evans and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 64-16 on H.B. No. 2604

The purpose of this measure is to clarify that acceptance by the Territorial Legislature or the Legislature of a dedication of land in the Kakaako Community Development District by a private owner is sufficient to convey title to the State.

Your Committee on Conference has amended this measure by:

- (1) Moving the proposed language from a new section in chapter 206E, Hawaii Revised Statutes, relating to the Hawaii Community Development Authority, to section 171-30, Hawaii Revised Statutes, relating to acquisition of real property by the Department of Land and Natural Resources;
- (2) Removing language related to deeds of conveyance for transportation infrastructure under the jurisdiction of the Department of Transportation; and
- (3) Making the measure effective 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. 2604, 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. 2604, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Keith-Agaran, Galuteria and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Yamane, Rhoads, Nishimoto and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Nishimoto).

Conf. Com. Rep. 65-16 on H.B. No. 1726

The purpose of this measure is to broaden the offense of murder in the first degree to include cases in which the victim was restrained as a shield, hostage, or for ransom or reward.

Your Committee on Conference has amended this measure to make it effective 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. 1726, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1726, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kim and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Rhoads, Brower, San Buenaventura and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (San Buenaventura).

Conf. Com. Rep. 66-16 on H.B. No. 2279

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

Your Committee on Conference has amended this measure based on the recommendation of the Attorney General to add four new claims that have been recently resolved for an additional general fund appropriation request of \$204,442.96.

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. 2279, 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. 2279, H.D. 2, S.D. 2, 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 Rhoads, Luke, Yamashita and McDermott.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 67-16 on H.B. No. 1581

The purpose of this measure is to provide for the expedited judicial review of certain contested case proceedings.

Specifically, this measure:

- (1) Requires that appeals of contested case proceedings conducted by the Commission on Water Resource Management, the Land Use Commission, the Public Utilities Commission, the Hawaii Community Development Authority, and those involving conservation districts be taken directly to the Supreme Court;
- (2) Requires a court conducting judicial review to give appeals in contested cases of statewide importance priority over all other civil or administrative appeals;
- (3) Permits, rather than requires, a court conducting judicial review in contested case proceedings to hear oral arguments;
- (4) Provides that, for contested case proceedings of the Commission on Water Resource Management, Land Use Commission, and those involving conservation districts, only a person aggrieved in the contested case proceeding may appeal; and
- (5) Requires the Judiciary to submit a report to the Legislature regarding the change in judicial proceedings made by this measure.

Your Committee on Conference finds that this measure is intended to expedite the judicial review of contested case proceedings conducted by the Commission on Water Resource Management, the Land Use Commission, the Public Utilities Commission, the Hawaii Community Development Authority, and those involving conservation districts because of their importance to Hawaii's future. Your Committee on Conference believes that this measure will substantially reduce the time required to resolve disputes regarding the actions of these agencies by making these disputes subject to review only by the State's highest court.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the contested case appeals that are subject to this measure shall be taken from a final decision and order or from certain preliminary rulings;
- (2) Clarifying that, for contested case proceedings of the Public Utilities Commission and the Hawaii Community Development Authority, appeals may only be taken by a person aggrieved in the contested case proceeding;
- (3) Authorizing a court to reserve jurisdiction to appoint a master or monitor to ensure compliance with the court's orders, when remanding a matter to an agency for the purpose of conducting a contested case hearing;
- (4) Changing the effective date to August 1, 2016; and
- (5) 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 H.B. No. 1581, 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. 1581, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker, Keith-Agaran and Slom.
Managers on the part of the Senate.

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

Representatives Rhoads, Yamane, Cullen and Pouha.
Managers on the part of the House.

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

Conf. Com. Rep. 68-16 on H.B. No. 254

The purpose of this measure is to ensure patient safety and access to medicines at lower prices by allowing for and regulating interchangeable biological products, or biological products that are biosimilar to and interchangeable with the biological product identified in a prescription and to which there are no clinically significant differences in terms of safety or effectiveness.

This measure also:

- (1) Requires a pharmacist or authorized agent to offer to the consumer, an equivalent generic drug product or interchangeable biological product from the Hawaii list of equivalent generic drug products and interchangeable biological products (Hawaii list), and inform the consumer of the differences between the brand name drug and equivalent generic drug product or interchangeable biological product, when the pharmacist fills a prescription for a brand name drug;
- (2) Requires a pharmacist to substitute an interchangeable biological product when consented to by the practitioner and consumer or when the substitute results in savings;
- (3) Specifies the conditions in which a pharmacist is prohibited from substituting an interchangeable biological product;
- (4) Requires that within 24 hours of dispensing a biological product, the dispensing pharmacist or designee must communicate to the provider, the specific product provided to the patient;
- (5) Authorizes the Director of Health, rather than the Drug Production Selection Board (Board), to adopt rules for drug production selection;
- (6) Specifies that the Hawaii list serves as the state list of approved therapeutically equivalent generic drug products; and
- (7) Repeals the Board and transfers the Board's duties of creating the list of substitutable generic drug products and biological products to the Department of Health.

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

- (1) Amending the definitions of "equivalent generic drug product", "Hawaii list of equivalent generic drug products and interchangeable biological products", and "interchangeable biological product";
- (2) Deleting the requirement that pharmacists or authorized agents inform consumers of the differences between the brand name drug and equivalent generic drug product or interchangeable biological product when filling a prescription order for a brand name drug;
- (3) Amending the conditions in which a pharmacist can substitute an equivalent generic drug product or an interchangeable biological product;
- (4) Requiring that within two business days, rather than within 24 hours, following the dispensing of a biological product, a dispensing pharmacist or designee must communicate to the practitioner, the specific product provided to the patient;
- (5) Making the adoption of rules by the Director of Health subject to the Administrative Procedure Law;
- (6) Changing the specifications and means by which pharmacies shall be notified of the Hawaii list;
- (7) Deleting the provision prohibiting the Director of Health from approving as substitutable, any biological products that the United States Food and Drug Administration has neither licensed nor determined as meeting standards for interchangeability;
- (8) Deleting requirements relating to the distribution, publishing, notice, and establishment of fees to persons who request copies of the Hawaii list by the Department of Health with respect to distribution of the Hawaii list;
- (9) Changing its effective date to July 1, 2016; and
- (10) 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. 254, 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. 254, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Espero and Kidani.
Managers on the part of the Senate.

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

Representatives Belatti, McKelvey, Creagan and Tupola.
Managers on the part of the House.

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

Conf. Com. Rep. 69-16 on H.B. No. 2632

The purpose of this measure is to require a person who has been disqualified from legal gun ownership due to mental illness or emotional disorder, substance abuse, or involuntary or emergency psychiatric hospitalization to surrender all of the person's firearms and ammunition to the Chief of Police immediately upon notice of disqualification. This measure also authorizes seizure of firearms and ammunition by the Chief of Police if the person does not voluntarily surrender them.

Your Committee on Conference has amended this measure by:

- (1) Permitting, rather than requiring, the Chief of Police to seize firearms and ammunition if the disqualified person does not immediately surrender them; 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 H.B. No. 2632, 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. 2632, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Keith-Agaran and Espero.

Managers on the part of the Senate.

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

Representatives Belatti, Rhoads, Lee and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 70-16 on H.B. No. 2391

The purpose of this measure is to prevent overcrowding at community correctional centers by authorizing the Director of Public Safety to release detainees or inmates charged on or after July 1, 2016, with petty misdemeanor or misdemeanor offenses; provided that the detainee or inmate is not disqualified based on present charges or past arrest or conviction of certain serious or violent offenses. This measure also requires the Director of Public Safety to report to the Legislature on the effects of this measure and sunsets on July 1, 2020.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that no person who has previously been convicted of any offense that involves injury or threat of injury to the person of another, including offenses related to sexual harassment, harassment by stalking, and violation of an order of protection or temporary restraining order, shall be eligible for early release; and
- (2) Clarifying that the appropriate court and prosecuting attorney shall receive notice of a misdemeanant's release from custody not later than forty-eight hours before the actual release.

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. 2391, 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. 2391, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Keith-Agaran and Espero.

Managers on the part of the Senate.

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

Representatives Takayama, Rhoads, San Buenaventura and Pouha.

Managers on the part of the House.

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

Conf. Com. Rep. 71-16 on S.B. No. 2217

The purpose of this measure is to appropriate funds for operation, repair, maintenance, and improvement costs for the East Kauai Irrigation System by the East Kauai Water Users' Cooperative.

Your Committee on Conference finds that reliable irrigation systems are the lifelines of the State's agricultural community and that the East Kauai Irrigation System should be repaired, properly maintained, and improved to ensure that agricultural crops receive a steady and dependable supply of water.

Your Committee on Conference has amended this measure by:

- (1) Inserting the purpose section of the S.D. 2 version;
- (2) Inserting an appropriation amount of \$75,000 for fiscal year 2016-2017 for operation, repair, maintenance, and improvement costs for the East Kauai Irrigation System by the East Kauai Water Users' Cooperative;
- (3) Changing the effective date to 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 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. 2217, 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. 2217, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English, Ruderman and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Yamane, Tsuji, Onishi and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 72-16 on S.B. No. 2904

The purpose of this measure is to authorize the Department of Land and Natural Resources to establish and operate aquatic mitigation banks to restore, create, enhance, or preserve aquatic habitats or resources as compensatory mitigation, where a person is required to provide compensatory mitigation prospectively and the use of banked mitigation is approved by the agency requiring mitigation, or for past damages to aquatic habitats or resources.

Your Committee on Conference finds that aquatic mitigation banks help to restore, create, enhance, or preserve aquatic habitats or resources to recover the ecological functions, services, and value of aquatic resources lost by adverse impacts to other similar aquatic habitats. Mitigation banks serve as a mechanism to restore or replace aquatic resources and ecological functions of aquatic habitats either prospectively or after they have been damaged; therefore, your Committee on Conference finds that mitigation banks are a first step in the process of creating innovative mechanisms for aquatic resource conservation in the State.

Your Committee on Conference has amended this measure by making it effective 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 S.B. No. 2904, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2904, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Galuteria, Shimabukuro and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

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

Conf. Com. Rep. 73-16 on S.B. No. 2854

The purpose of this measure is to make various amendments in the Insurance Code relating to: property insurance; market conduct; insurance premium taxes; insurance contracts; accident and health or sickness insurance; claim filing; captive insurance companies; duty to respond; mental health and alcohol and drug abuse treatment insurance benefits; the Hawaii Hurricane Relief Fund; covered services; mutual benefit societies; and health maintenance organizations.

Your Committee on Conference finds that this measure makes numerous amendments to update and improve the State's Insurance Code, including: conforming to model legislation; updating terminology; amending health care provider provisions for consistency; adding flexibility to captive insurance laws; and adding certain consumer protections. Your Committee further finds that certain language in this measure regarding monthly and annual premium tax statements and payments may have unintended consequences that could create delays or increase administrative costs. Amendments to this measure are therefore needed to address these concerns.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the Insurance Commissioner has the authority to approve or disapprove written requests from insurers seeking to provide multi-peril coverage for residential property after July 1, 2016, and making associated amendments regarding multi-peril coverage available from the Hawaii Hurricane Relief Fund for consistency and to conform with current insurance industry terminology;
- (2) Requiring each authorized insurer to file their monthly and annual statement and premium tax statements and pay their premium taxes electronically, rather than limiting this electronic filing and payment requirement to insurers with a tax liability in excess of \$100,000;
- (3) Requiring payment of monthly and annual taxes via Automated Clearing House debit or credit for authorized insurers to coincide with the authorized insurers' annual and monthly tax statement filing requirements;
- (4) Clarifying that in cases of contested or denied claims, an entity is required to notify a health care provider, insurer, or member filing a claim from a non-contracted provider;
- (5) Amending the definition of "contraceptive services", as applied to mutual benefit societies, to maintain uniformity with the definition of "contraceptive services", as applied to accident and health or sickness insurers and health maintenance organizations;
- (6) Changing the effective date to July 1, 2016; provided that the provisions in this measure that require insurers to file their premium tax statements and pay their premium taxes electronically shall take effect on January 1, 2017; 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. 2854, 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. 2854, S.D. 2, H.D. 1, 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, Cachola, Woodson and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 74-16 on S.B. No. 2853

The purpose of this measure is to:

- (1) Adopt the National Association of Insurance Commissioners' Risk Management and Own Risk and Solvency Assessment Model Act;
- (2) Apply certain requirements for risk-based capital and severability and notice provisions to risk retention captive insurance companies; and
- (3) Adopt the National Association of Insurance Commissioners' Model Risk Retention Act.

Your Committee on Conference finds that the National Association of Insurance Commissioners requires all states to adopt its Risk Management and Own Risk and Solvency Assessment Model Act by January 1, 2018, to maintain accreditation. The National Association of Insurance Commissioners also requires Hawaii to adopt the Association's Model Risk Retention Act by January 1, 2017, and amend state insurance law relating to risk retention captive insurance companies to maintain accreditation. Accordingly, this measure makes necessary amendments to the Insurance Code, which will enable the Department of Commerce and Consumer Affairs to maintain its accreditation with the National Association of Insurance Commissioners.

Your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of 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. 2853, 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. 2853, S.D. 2, H.D. 1, 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, Cachola, Woodson and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 75-16 on S.B. No. 1311

The purpose of this measure is to:

- (1) Exempt licensed or credentialed practitioners practicing within their recognized scope of practice from behavior analyst licensure and certification requirements;
- (2) Temporarily exempt from behavior analyst licensing requirements, direct support workers who provide autism treatment services pursuant to an Individualized Education Plan; and
- (3) Require the Department of Education to report to the Legislature on implementing measures to comply with the licensure and certification requirements.

Your Committee on Conference finds that licensure of behavior analysts is necessary for client protection and access to services. While ensuring the provision of quality services by properly trained providers is of the utmost importance, your Committee on Conference finds that the State's current credentialed workforce is inadequate to meet present needs. This measure will ensure that behavioral services continue to be available for clients who depend on them while facilitating the long-term development of an adequate professional and paraprofessional workforce.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to July 1, 2016; 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. 1311, 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. 1311, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Takumi, Belatti, McKelvey, Nishimoto and McDermott.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 76-16 on S.B. No. 2987

The purpose of this measure is to amend the annual allocation of transient accommodations tax revenues to the counties.

Specifically, this measure:

- (1) Changes the annual aggregate cap on the transient accommodations tax revenues allocation to the counties from \$93,000,000 after fiscal year 2015-2016 to an unspecified amount;
- (2) Amends the annual percentage of transient accommodations tax revenues allocated to each county as follows:
 - (A) From 14.5 to 20 per cent for the County of Kauai;
 - (B) From 18.6 to 25 per cent for the County of Hawaii;
 - (C) From 44.1 to 30 per cent for the City and County of Honolulu; and
 - (D) From 22.8 to 25 per cent for the County of Maui; and
- (3) Deletes language concerning the transient accommodations tax revenues allocation to the counties for fiscal years 2014-2015 and 2015-2016.

Your Committee on Conference recognizes that Act 174, Session Laws of Hawaii 2014, temporarily increased the \$93,000,000 annual aggregate cap on the transient accommodations tax revenues allocation to the counties to \$103,000,000 for fiscal years 2014-2015 and 2015-2016. Given that the several counties often request stability in funding, your Committee on Conference finds that it would be appropriate to extend the \$103,000,000 cap for one additional fiscal year while also maintaining each county's existing share of transient accommodations tax revenues.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Extending the \$103,000,000 annual aggregate cap on the transient accommodations tax revenues allocation to the counties into fiscal year 2016-2017, and restoring existing statutory language that lowers the cap to \$93,000,000 for each fiscal year thereafter;
- (2) Deleting amendments that would have changed the annual percentage of transient accommodations tax revenues allocated to each county;
- (3) Restoring existing statutory language concerning the transient accommodations tax revenues allocation to the counties for fiscal years 2014-2015 and 2015-2016; and
- (4) Changing its 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. 2987, 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. 2987, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators English, Nishihara, Tokuda and Kahele.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Nishihara).

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

Conf. Com. Rep. 77-16 on S.B. No. 2453

The purpose of this measure is to:

- (1) Repeal the prohibition on suspension or waiver of fines for violations of certain aquatic resource laws;
- (2) Authorize the court to require a person who violates certain laws pertaining to aquatic resources to complete an aquatic resources educational class administered by the Department of Land and Natural Resources in lieu of or in addition to paying a monetary fine; and

- (3) Authorize the court to require a person who violates certain laws pertaining to aquatic resources to perform community service administered by the Department of Land and Natural Resources in lieu of paying a monetary fine.

Your Committee on Conference finds that educational programs and community service opportunities are effective sentencing alternatives to specifically address resource offenses and violators. Educational programs and community service opportunities deter future violations, enhance public knowledge about Hawaii's resources, and ensure that punishment for resource violations is appropriate. Your Committee on Conference further finds that an educational curriculum that provides a broad overview of aquatic resource statutes, rules, and regulations, as well as information about closed seasons, restricted areas, and methods of extraction, already exists and would be easily implemented.

Your Committee on Conference has amended this measure by making it effective 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 S.B. No. 2453, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2453, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Keith-Agaran, Riviere and Slom.

Managers on the part of the Senate.

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

Representatives Ing, Rhoads, Lowen and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 78-16 on S.B. No. 3084

The purpose of this measure is to provide targeted incentives for the upgrade or conversion of cesspools.

Specifically, this measure:

- (1) Disallows the income tax credit for cesspool upgrade, conversion, or connection for taxpayers whose federal adjusted gross income exceeds certain amounts;
- (2) Authorizes the Department of Health to establish a cesspool upgrade, conversion, or connection tax credit or rebate program to offset qualified expenses incurred by low-income households;
- (3) Authorizes the use of the credit for large-capacity cesspools connected to residential units;
- (4) Provides that cesspools located within two hundred feet of an existing sewer system may be certified by the county; and
- (5) Requires the Department of Health to report to the Legislature prior to the Regular Session of 2017 on further recommendations to compel or incentivize cesspool conversion.

Your Committee on Conference finds that, in order to reduce the contamination of groundwater, drinking water sources, streams, and the ocean caused by cesspool pollution, Act 120, Session Laws of Hawaii 2015, established a temporary income tax credit for taxpayers who upgrade or convert a qualified cesspool into a septic system or an aerobic treatment unit system, or who connect a qualified cesspool to a sewer system. Your Committee on Conference also finds that, as currently written, the income tax credit statute is ambiguous regarding the availability of the tax credit for cesspools that are connected to multiple residential units.

Your Committee on Conference has amended this measure by:

- (1) Deleting all of its provisions, except for the provision that clarifies the availability of the income tax credit for cesspool upgrade, conversion, or connection for cesspools connected to multiple residential units; and
- (2) Clarifying that the residential large-capacity cesspools must be connected to more than one residence in order to be eligible for the tax credit.

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. 3084, 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. 3084, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators English, Inouye and Riviere.

Managers on the part of the Senate.

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

Representatives Lee, Belatti, Lowen, Creagan and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 79-16 on S.B. No. 2850

The purpose of this measure is to make various amendments to the mortgage loan originators law, chapter 454F, Hawaii Revised Statutes, and the mortgage servicers law, chapter 454M, Hawaii Revised Statutes, by:

- (1) Increasing the clarity and consistency of the two chapters, including adding definitions, updating references to federal regulations, and applying the same confidentiality requirements to mortgage servicers that currently apply to mortgage loan originators;
- (2) Moving mortgage servicer provisions that currently appear in chapter 454F, Hawaii Revised Statutes, to chapter 454M, Hawaii Revised Statutes; and
- (3) Deleting the mortgage loan servicer loan modification license under chapter 454F, Hawaii Revised Statutes.

Your Committee on Conference finds that there is a degree of overlap between mortgage loan origination industry regulation governed by chapter 454F, Hawaii Revised Statutes, and mortgage servicer industry regulation governed by chapter 454M, Hawaii Revised Statutes. This measure makes various amendments to these chapters for clarity and consistency and migrates mortgage servicer provisions under chapter 454F, Hawaii Revised Statutes, into the mortgage servicer law, which will help eliminate confusion for mortgage servicers. Your Committee on Conference further finds that the amendments proposed by this measure will ensure clearer requirements within the mortgage loan origination and mortgage servicer industries, which will support licensee compliance.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the information sharing provisions added by the new confidentiality section under chapter 454M, Hawaii Revised Statutes, apply to regulatory officials with mortgage servicer industry oversight, rather than mortgage industry oversight;
- (2) Removing a reference to mortgage loan originators and mortgage loan originator companies in the new confidentiality section added to chapter 454M, Hawaii Revised Statutes, as these entities are governed by a confidentiality section in a different chapter;
- (3) Clarifying that the presumption of control provision for mortgage loan originator companies applies to voting securities of licensees or applicants;
- (4) Clarifying that the exemption under the mortgage servicer law for time share plans applies to a developer of a time share plan, or an affiliated entity of a developer of a time share plan, that services a specific type of loan and adding definitions associated with this exemption;
- (5) Changing its effective date to July 1, 2016; 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. 2850, 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. 2850, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Riviere, Kidani, Nishihara and Slom.

Managers on the part of the Senate.

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

Representatives McKelvey, Cachola, Woodson and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 80-16 on S.B. No. 2731

The purpose of this measure is to help address the need for school infrastructure amid the construction of new housing units by:

- (1) Clarifying that if a new residential development within a designated school impact district requires a county subdivision approval, county building permit, or condominium property regime approval, then the developer must also fulfill certain impact fee requirements of the Department of Education, even if the projects are processed pursuant to section 201H-38, Hawaii Revised Statutes, or section 46-15.1, Hawaii Revised Statutes, with the involvement of the Hawaii Housing Finance and Development Corporation or a corresponding county agency respectively; and
- (2) Providing that, in urban Honolulu, fee in lieu funds may be used to purchase completed construction, construct new school facilities, improve or renovate existing structures for school use, or lease land or facilities for school use.

Your Committee on Conference finds that Act 245, Session Laws of Hawaii 2007, established the law regarding school impact fees, including new methods of financing the development of new educational facilities and the expansion of existing facilities. Since 2007, land use planning, development patterns, and preferences have changed significantly. This measure will clarify the responsibilities of developers of residential property within designated school impact districts.

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. 2731, 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. 2731, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Tokuda and Riviere.

Managers on the part of the Senate.

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

Representatives Takumi, Luke, Ichiyama and Matsumoto.
Managers on the part of the House.

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

Conf. Com. Rep. 81-16 on S.B. No. 2670

The purpose of this measure is to:

- (1) Reduce the surcharge on the license fee and renewal fee for behavior analysts from \$100 to \$50; and
- (2) Temporarily exempt from the licensing requirements for the practice of behavior analysis direct support workers who provide Medicaid home and community-based services pursuant to the Social Security Act through January 1, 2019.

Your Committee on Conference finds that the initial costs for behavior analyst licensure and the annual fees to maintain this license can total over \$1,000, which can be significant to behavior analysts, many of whom are paid hourly with minimal benefits. This measure reduces the surcharge on the license and renewal fee for behavior analysts, which will ease the financial burden of behavior analyst licensing, encourage the licensure of behavior analysts, and increase the number of licensed behavior analysts available to the public.

Your Committee on Conference further finds that this measure temporarily exempts direct support workers who provide necessary behavioral interventions for individuals in the Medicaid Home and Community Based Services waiver program. This exemption prevents a disruption in services for individuals currently receiving behavioral services while also facilitating efforts to build an adequate workforce of credentialed paraprofessionals and licensed professionals in Hawaii.

Your Committee on Conference has amended this measure by:

- (1) Amending its effective date to upon approval, with the exemption for direct support workers applicable from January 1, 2016; 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. 2670, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2670, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Belatti, McKelvey, Tokioka, Kobayashi and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McKelvey).

Conf. Com. Rep. 82-16 on S.B. No. 2542

The purpose of this measure is to:

- (1) Require each state executive agency that manages a state-owned building, facility, or other improvement to submit to the Legislature an annual report on the funds and positions deemed necessary by the agency to perform routine repair and maintenance on the state-owned building, facility, or other improvement during the fiscal year covered by the report;
- (2) Require Judiciary to submit a similar report for Judiciary-owned buildings, facilities, and other improvements; and
- (3) Require every capital improvement project for the construction of a new state-owned building, facility, or other improvement to include a recommended plan for the routine repair and maintenance of the building, facility, or other improvement.

Your Committee on Conference finds that the deferred maintenance of state-owned buildings, facilities, and other improvements leads to more expensive capital replacement or renewal costs in the future. Implementation of this measure will promote transparency and preserve the condition of state-owned buildings, facilities, and other improvements for public use or benefit in a cost efficient manner, now and into the future.

Your Committee on Conference has amended this measure by:

- (1) Deleting the requirement that every capital improvement project for the construction of a new state-owned building, facility, or other improvement include a recommended plan for the routine repair and maintenance of the building, facility, or other improvement;
- (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 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. 2542, 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. 2542, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 83-16 on S.B. No. 3077

The purpose of this measure is to:

- (1) Establish the Hawaii Interagency Council for Transit-Oriented Development within the Department of Business, Economic Development, and Tourism (DBEDT) to coordinate effective and efficient transit-oriented development planning on a statewide level;
- (2) Designate the Office of Planning as the lead state agency for transit-oriented development coordination;
- (3) Allow the Department of Education to use school impact fees for schools statewide; and
- (4) Appropriate funds to DBEDT for coordinating transit-oriented development planning on a statewide level.

Your Committee on Conference finds that state participation is essential to developing mixed-use, mixed-income projects on state lands in close proximity to rail transit stations. The State is able to provide land and funding to develop more affordable housing and workforce housing, provide required infrastructure to support development of state-owned parcels, and contribute to increasing the regional capacity of major infrastructure systems to accelerate development. Therefore, it is critical to establish the Hawaii Interagency Council for Transit-Oriented Development to promote effective and efficient transit-oriented development planning and coordination in the State.

Your Committee on Conference has amended this measure by:

- (1) Inserting references to mixed use and affordable and rental housing projects for consideration by the Hawaii Interagency Council for Transit-Oriented Development when performing its duties related to transit-oriented development projects, programs, or plans;
- (2) Changing the composition of the Hawaii Interagency Council for Transit-Oriented Development to add the Chief of Staff of the Office of the Governor, replace the Chairperson of the Board of Trustees of the Office of Hawaiian Affairs with the Chairperson of the Stadium Authority, add a representative of the community with experience in housing and real estate development, and redesignate the representative of the Honolulu Field Office of the United States Department of Housing and Urban Development to serve on a non-voting ex-officio basis;
- (3) Inserting a definition for "development plans" into section 225M-2(b), Hawaii Revised Statutes;
- (4) Specifying that school impact fees from projects within a county-designated transit-oriented development zone may be used for various purposes, including construction of new school facilities in new or existing school sites or leasing land or facilities for school use within a county-designated transit oriented development zone;
- (5) Inserting an appropriation amount of \$50,000 for DBEDT for the purposes of this measure;
- (6) Changing the effective date to July 1, 2016; 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. 3077, 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. 3077, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Harimoto, Wakai, Inouye, Tokuda and Galuteria.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Inouye, Galuteria).

Representatives Aquino, Yamane, Cullen and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 84-16 on S.B. No. 2981

The purpose of this measure is to:

- (1) Recognize American Sign Language as a world language; and
- (2) Allow students who pass courses in American Sign Language to receive credit for those courses toward satisfaction of graduation requirements for world language.

Your Committee on Conference finds that American Sign Language is a vital part of the linguistic heritage of the State. Familiarity and proficiency in American Sign Language benefits hearing impaired and non-impaired individuals by allowing easier, more efficient communication and exchange of ideas. Additionally, research indicates that individuals with disabilities other than hearing impairment learn and gain proficiency in American Sign Language more quickly than in other languages such as Chinese or Spanish.

Your Committee on Conference 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 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. 2981, 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. 2981, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Riviere and Kahele.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Ohno, Yamashita, Tokioka and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 85-16 on S.B. No. 2557

The purpose of this measure is to:

- (1) Expand the scope of the concussion educational program under Act 197, Session Laws of Hawaii 2012, to include youth athletics;
- (2) Incorporate additional requirements into the concussion educational program; and
- (3) Appropriate monies to the Department of Kinesiology and Rehabilitation Science of the University of Hawaii and Department of Education for the purpose of funding the program.

Your Committee on Conference finds that the intent of Act 197, Session Laws of Hawaii 2012, was to provide a statewide concussion educational program to ensure that public and private high school students, school personnel, and parents are provided with consistent and up-to-date information on the management of symptoms and injuries related to a concussion. This measure will expand Act 197 to include youth athletics and refine the requirements of the concussion educational program.

Your Committee on Conference has amended this measure by:

- (1) Changing the definition of “school athletics” to apply to grades nine to twelve;
- (2) Specifying the types of health care providers who can provide clearance to a concussed student prior to the student’s return to academics and athletics;
- (3) Requiring that returning students be monitored by a State of Hawaii registered athletic trainer;
- (4) Clarifying the cognitive testing and neuropsychological test requirements of the concussion management educational program;
- (5) Removing the exemption for out of state athletics trainers who have served their respective teams for less than one month from the concussion management educational program;
- (6) Inserting an appropriation amount of \$450,000 for the concussion educational program;
- (7) Removing the appropriation to the Department of Education and placing the concussion and awareness program for youth athletics under the Department of Kinesiology and Rehabilitation Science of the University of Hawaii;
- (8) Changing the effective date to July 1, 2016; 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. 2557, 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. 2557, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Belatti, Takumi, Nishimoto, Johanson and Fukumoto Chang.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 86-16 on S.B. No. 2645

The purpose of this measure is to require the Commission on Water Resource Management to establish and implement a program to conduct standardized water audits of public water systems in accordance with the method adopted by the American Water Works Association’s Water Audits and Loss Control Programs, Manual of Water Supply Practices - M36, as amended, and to appropriate funds for this purpose.

Your Committee on Conference finds that the efficient use of the State's limited water resources is of paramount importance to the continued growth and security of the State. Audits can provide valuable information to help utilities manage their operational and financial resources in a more effective manner.

Your Committee on Conference has amended this measure by:

- (1) Inserting the purpose section of the S.D. 2 version;
- (2) Deleting the appropriation of general funds;
- (3) Authorizing \$600,000 of other federal funds for fiscal year 2016-2017 to conduct standardized water audits of public water systems if private matching funds of \$100,000 are provided;
- (4) Appropriating \$700,000 of the authorized revenues for fiscal year 2016-2017 to establish and implement the program to conduct standardized water audits of public water systems;
- (5) Changing the effective date to July 1, 2016; 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. 2645, 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. 2645, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 87-16 on S.B. No. 2561

The purpose of this measure is to establish a rental housing strategy for the State by:

- (1) Establishing a goal of developing or committing to the development of at least 22,500 affordable rental housing units for occupancy by the end of 2026;
- (2) Establishing a temporary special action team on affordable rental housing, within the Office of Planning for administrative purposes, to make recommendations to achieve the affordable rental housing goal, including by proposing an update to the State Planning Act to include the state housing plan;
- (3) Requiring the special action team on affordable rental housing to develop a ten-year plan, to be incorporated into the state housing plan, that identifies state, county, and private parcels of land suitable for affordable housing units; and
- (4) Appropriating funds for the special action team on affordable rental housing.

Your Committee on Conference finds that for the period from 2015 to 2025, Hawaii will require an additional 64,700 housing units to meet projected long-term housing demands. Of this amount, 22,247 households of all income levels will require rental units. The lack of supply leads to higher rents for households of all income levels, leaving all tenants with less disposable income, increasing the personal stress of tenants, reducing tenant quality of life, and exacerbating overcrowding and homelessness. Given these consequences, the lack of affordable rental housing requires the concentrated attention of state government at the highest level and the establishment of specific goals related to affordable rental housing. Therefore, it is necessary to establish a special action team that consists of those who are knowledgeable about affordable housing and prepared not only to identify benchmarks for progress, but also the barriers to progress and the possible solutions to overcome them, to ensure that the State achieves its housing goal.

Your Committee on Conference has amended this measure by:

- (1) Changing the composition of the special action team on affordable rental housing to specify that the public member will represent affordable housing advocacy groups, add a member of the public to represent non-profit developers with expertise in housing development, and add a member of the public to represent for-profit developers with expertise in housing development;
- (2) Clarifying that members who represent affordable housing advocacy groups, non-profit developers, or for-profit developers also may designate an officer or employee of the respective group to attend meetings;
- (3) Inserting an appropriation amount of \$100,000 for the administration and operation of the special action team on rental housing, including staff, and to propose an update to the State Planning Act to include the state housing plan;
- (4) Changing the effective date to upon approval; 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. 2561, 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. 2561, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Hashem, Luke, Jordan and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 88-16 on S.B. No. 2659

The purpose of this measure is to establish an industrial hemp pilot program within the Department of Agriculture to allow the cultivation of industrial hemp and distribution of its seed in the State through limited agricultural or academic research activities, and appropriate funds for one full-time equivalent position to effectuate the pilot program.

Your Committee on Conference finds that industrial hemp is well suited to Hawaii's climate and soil and can grow to over ten feet in a short period of time with little water and no pesticides. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products grew to over \$620,000,000 annually in 2014. Industrial hemp has over 25,000 uses, including food, fiber, and fuel products, and has high potential to contribute to the future viability of the State's agricultural industry.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$425,000 for the Department of Agriculture to effectuate the industrial hemp pilot program, to be allocated as follows:
 - (A) \$100,000 for a Program Coordinator position;
 - (B) \$75,000 for an Inspector position; and
 - (C) \$250,000 for the administrative costs of the program;
- (2) Changing the effective date to July 1, 2016, and the sunset date to June 30, 2021; 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. 2659, 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. 2659, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Keith-Agaran, English and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Tsuji, Rhoads, Onishi, Belatti and Thielen.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Rhoads, Belatti).

Conf. Com. Rep. 89-16 on S.B. No. 2849

The purpose of this measure is to clarify the State's escrow depositories law by: adding definitions; authorizing the Commissioner of Financial Institutions to use NMLS for its escrow depositories program; adding criminal history record check and disclosure requirements to licensure and change in control applications; updating the escrow depository license renewal date for consistency with NMLS; clarifying sale or transfer of license or change in control requirements; and updating certain fees.

Your Committee on Conference finds that this measure streamlines the escrow depository licensing process by authorizing the Commissioner of Financial Institutions to use NMLS, a nationwide online licensing and registration system for state-licensed providers of financial services. This measure also requires litigation disclosure and criminal history record checks for initial escrow depository license applicants, which will enhance protection of consumer funds and transactions involving escrow depositories, and makes other amendments to the escrow depositories law for clarity and to support licensee compliance.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to 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. 2849, 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. 2849, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives McKelvey, Rhoads, Nishimoto and Pouha.

Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 90-16 on H.B. No. 1878

The purpose of this measure is to:

- (1) Appropriate funds for the Kupuna Care Program, aging and disability resource centers (ADRCs), fall prevention and early detection services for the elderly, the Healthy Aging Partnership Program, an Alzheimer's disease and related dementia services coordinator position, and an Alzheimer's disease and related dementia public awareness campaign; and
- (2) Require the Executive Office on Aging to develop a system of evaluation to determine the effectiveness of ADRCs in each county and to submit its evaluation findings to the Legislature no later than 60 days prior to the 2017 Regular Session (evaluation findings).

Your Committee on Conference has amended this measure by:

- (1) Deleting appropriations for the Kupuna Care Program, the Healthy Aging Partnership Program, an Alzheimer's disease and related dementia services coordinator position, and an Alzheimer's disease and related dementia public awareness campaign;
- (2) Appropriating \$1,700,000 for fiscal year 2016-2017 for ADRCs and \$32,000 for fiscal year 2016-2017 for fall prevention and early detection services for the elderly;
- (3) Requiring the Executive Office on Aging to submit the evaluation findings to the Legislature no later than 60 days prior to the 2018 Regular Session, in addition to the report to be submitted before the 2017 Regular Session;
- (4) Requiring the Executive Office on Aging to submit a report to the Legislature no later than 60 days prior to the 2017 and 2018 Regular Sessions on its implementation of the federal No Wrong Door/Aging and Disability Resource Center network implementation grant it received in 2015;
- (5) Changing its effective date to July 1, 2016; 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. 1878, 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. 1878, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Chun Oakland, Baker, Tokuda and Ihara.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, none.

Representatives Belatti, Luke, Kobayashi and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 91-16 on H.B. No. 1897

The purpose of this measure is to ensure that annual screenings for sexually transmitted diseases, including screenings for human immunodeficiency virus and acquired immunodeficiency syndrome, are covered by health benefit plans in the State.

Your Committee on Conference has amended this measure to take effect on July 1, 2016, and to clarify that it apply to policies, contracts, and plans of health insurance issued or renewed after January 1, 2018. Your Committee on Conference has also amended this measure by 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. 1897, 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. 1897, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Belatti, McKelvey, Nishimoto, Ichiyama and Fukumoto Chang.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (McKelvey, Ichiyama).

Conf. Com. Rep. 92-16 on H.B. No. 2252

The purpose of this measure is to require hospitals to adopt and maintain written discharge policies consistent with recent updates to federal regulations by which:

- (1) Each patient can designate a caregiver;
- (2) Each patient and the patient's designated caregiver can participate in the discharge planning and can receive instruction, prior to discharge, related to the patient's after-care needs; and

- (3) Each patient's caregiver is notified of the patient's discharge or transfer.

Your Committee on Conference recognizes that Hawaii's population of older adults continues to increase. In 2012, Hawaii had the highest percentage of residents over the age of 85 in the United States. This population is projected to grow to 65 percent over the next 20 years. These individuals are the most likely to need long-term supports and services and will likely rely on family and friends as their caregivers due to financial and resource constraints.

While strong home- and community-based resources, such as respite, non-medical transportation services, and home-delivered meals, are important to help caregivers and their loved ones, medical supports are also important. Coordination among primary care providers, along with preventive care, will enable many seniors and other individuals with chronic or debilitating conditions to stay in their homes longer. However, in the event of an acute episode, hospitals must provide assistance to patients and their caregivers to prepare them for discharge and help them transition back to home.

All hospitals must comply with comprehensive guidelines mandated by the federal government related to discharge planning and transitions of care. Among other things, hospitals must assess and consider the unique preferences and needs of patients and their caregivers when developing a discharge plan. For a successful transition from hospital to home setting, the patient requires collaboration on the part of inpatient health care professionals and at-home caregivers.

This measure supports families by ensuring that all patients in inpatient hospitals have an opportunity to designate a caregiver who must be notified prior to the discharge or transfer of the patient to ensure that the patient and the designated caregiver are involved in the discharge planning process, and that the patient and caregiver are provided a consistent level of instructional support, both written and oral, prior to discharge to facilitate the patient's transition to the home setting regardless of which facility the patient is in.

Your Committee on Conference has amended this measure by 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. 2252, 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. 2252, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland, Keith-Agaran and Kidani.

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 1 (Chun Oakland).

Representatives Belatti, Rhoads, Keohokalole, Takayama and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 93-16 on H.B. No. 2559

The purpose of this measure is to promote assisted community treatment as an alternative to involuntary hospitalization. Specifically, this measure:

- (1) Defines "imminently dangerous to self or others";
- (2) Repeals the authority of law enforcement officers to take a person subject to an assisted community treatment order into custody and transport them to a designated mental health program without a court order to do so;
- (3) Changes the maximum period of court-ordered assisted community treatment from one hundred eighty days to one year;
- (4) Amends the circumstances under which a person subject to an assisted community treatment order may be physically forced to take medication or otherwise compelled to comply with prescribed treatment; and
- (5) Repeals the sunset date of statutory language authorizing and setting requirements for assisted community treatment.

Your Committee on Conference has amended this measure by:

- (1) Clarifying the definition of "imminently dangerous to self or others" to mean "that, without intervention, the person will likely become dangerous to self or dangerous to others within the next forty-five days"; and
- (2) 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 H.B. No. 2559, 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. 2559, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, English, Keith-Agaran, Kidani and Nishihara.

Managers on the part of the Senate.

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

Representatives Belatti, Rhoads, Cachola and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 94-16 on H.B. No. 1997

The purpose of this measure is to promote the expansion and development of the State's agricultural industry by:

- (1) Establishing the K-12 Agriculture Workforce Development Pipeline Initiative Program (Program) in the Department of Labor and Industrial Relations to conduct training sessions in agricultural self-sufficiency for teachers and school administrators on the islands of Oahu, Hawaii, Maui, Molokai, Lanai, and Kauai; and
- (2) Appropriating funds to develop, operate, and implement the Program, including hiring a full-time coordinator and a workforce development specialist.

Your Committee on Conference has amended this measure by

- (1) Specifying the appropriation amount of \$200,000 to be used to hire only one full-time equivalent coordinator for the Program; and
- (2) Changing its 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 H.B. No. 1997, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1997, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Kidani, Keith-Agaran, Dela Cruz and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 2 (Kidani, Slom).

Representatives Tsuji, Nakashima, Onishi and Matsumoto.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Matsumoto).

Conf. Com. Rep. 95-16 on H.B. No. 1999

The purpose of this measure is to address the high cost of feed and the lack of local feed mills in Hawaii by:

- (1) Establishing and funding a grant program within the existing Livestock Revitalization Program for Qualified Feed Developers to cover a percentage of the development cost of feed sold to Qualified Producers;
- (2) Appropriating funds to reimburse Qualified Producers of specified livestock, fish, and crustaceans to offset feed costs; and
- (3) Requiring and appropriating funds for the Department of Agriculture to conduct a survey to identify, assess, and validate locally sourced feed ingredients that are available to Qualified Feed Developers.

Your Committee on Conference has amended this measure by:

- (1) Specifying the appropriation amount of:
 - (A) \$1,000,000 to reimburse Qualified Producers; and
 - (B) \$1,000,000 to reimburse Qualified Feed Developers;
- (2) Deleting the requirement and funding for the Department of Agriculture to conduct a survey of locally sourced feed ingredients;
- (3) Changing its effective date to July 1, 2016; and
- (4) Making technical, nonsubstantive amendments for 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. 1999, 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. 1999, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Tsuji, Onishi and Matsumoto.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, none.

Conf. Com. Rep. 96-16 on H.B. No. 2657

The purpose of this measure is to financially assist Molokai farmers and ranchers in complying with federal and state food safety laws by:

- (1) Converting the Molokai Diversified Agricultural Revolving Loan Program, established by Act 387, Session Laws of Hawaii 1988, to a cost reimbursement program that provides reimbursements to Molokai farmers and ranchers for mandated food safety compliance audits and other related costs; and

- (2) Appropriating funds to the Maui Office of Economic Development to review and approve cost reimbursement applications.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriation for the Maui Office of Economic Development to review and approve cost reimbursement applications;
- (2) Changing its effective date to July 1, 2016; and
- (3) Making technical, nonsubstantive amendments for 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. 2657, 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. 2657, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English, Shimabukuro and Slom.

Managers on the part of the Senate.

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

Representatives Tsuji, Kawakami, Onishi, DeCoite and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 97-16 on H.B. No. 2317

The purpose of this measure is to appropriate funds for fiscal year 2016-2017 to be deposited into the Emergency and Budget Reserve Fund.

Your Committee on Conference amended this measure by:

- (1) Inserting an appropriation amount of \$150,000,000 to be deposited into the Emergency and Budget Reserve Fund; and
- (2) Changing its 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 H.B. No. 2317, 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. 2317, H.D. 1, S.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 (Slom).

Representatives Luke, Nishimoto and Pouha.

Managers on the part of the House.

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

Conf. Com. Rep. 98-16 on H.B. No. 1907

The purpose of this measure is to:

- (1) Require all law enforcement agencies and departments charged with maintenance, storage, and preservation of sexual assault evidence collection kits to conduct an inventory of all kits they store and transmit a report of the number of untested sexual assault evidence collection kits they possess to the Department of the Attorney General by September 30, 2016;
- (2) Require the Department of the Attorney General to report the number of untested sexual assault evidence collection kits being stored and various information related to those kits by December 1, 2016; and
- (3) Appropriate an unspecified amount of funds to the Department of the Attorney General to initiate the testing of at least five hundred untested sexual assault evidence collection kits by December 31, 2016, and require the Department to distribute the funds among the Counties of Hawaii and Maui, and the City and County of Honolulu based on each county's pro rata share of untested kits as of July 1, 2016.

Your Committee on Conference appreciates the work of national organizations, like the Joyful Heart Foundation, to reduce the number of untested sexual assault evidence collection kits across the country. They have many helpful resources on how other communities are addressing this issue, including expertise on best practices for victim notification. Your Committee on Conference intends that the Department of the Attorney General will work with community stakeholders such as the Joyful Heart Foundation, Commission on the Status of Women, and others, to prepare the report to the Legislature.

Your Committee on Conference strongly supports a victim centered approach to addressing sexual assault crimes in the community and has revised the appropriation in this measure to include victim support services. The Department of the Attorney General should work with community organizations and non-profits to assist victims who may need counseling and other services after learning about the results of their sexual assault evidence collection kits.

Your Committee on Conference has amended this measure by:

- (1) Changing from September 30, 2016, to September 1, 2016, the due date for law enforcement agencies and departments responsible for sexual assault evidence collection kits to conduct an inventory of all kits and submit a report to the Department of the Attorney General;
- (2) Requiring all law enforcement agencies and departments to submit new sexual assault evidence collection kits for testing in accordance with the criteria and policies established by the Department of the Attorney General pursuant to this measure beginning July 1, 2017, and to complete testing of all untested kits by July 1, 2018;
- (3) Clarifying that the Department of the Attorney General shall involve community stakeholders, including representatives from each county, in drafting its report and shall include the criteria and processes for testing untested and new kits in its report;
- (4) Inserting an appropriation amount of \$500,000 to the Department of the Attorney General to initiate the testing of at least 500 untested kits in accordance with specified criteria, report results to the FBI Combined DNA Index System, and provide associated support services to victims affected by the testing; and
- (5) Changing its 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 H.B. No. 1907, 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. 1907, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Keith-Agaran, Tokuda, Baker and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Morikawa, Rhoads, Ichiyama, Yamashita, Belatti, San Buenaventura and Ward.
Managers on the part of the House.
Ayes, 6. Noes, none. Excused, 1 (Ward).

Conf. Com. Rep. 99-16 on H.B. No. 2121

The purpose of this measure is to appropriate funds to the Judiciary to purchase civil legal services for low- and moderate-income persons.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$750,000 for the Judiciary to purchase civil legal services for low- and moderate-income persons;
- (2) Requiring the appropriation to be used pursuant to section 7 of Act 138, Session Laws of Hawaii 2015; and
- (3) Changing its 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 H.B. No. 2121, 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. 2121, H.D. 3, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Morikawa, Rhoads, Kobayashi, San Buenaventura and McDermott.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 100-16 on H.B. No. 2205

The purpose and intent of this measure is to refine the governance of charter schools.

Specifically, this measure:

- (1) Prohibits charter school authorizers from providing technical support to prospective charter school applicants or their governing boards when that technical support will impact a decision to approve or deny a charter application;
- (2) Establishes meeting minutes requirements for charter schools and their governing boards;
- (3) Provides nonprofit organizations acting in the role of a conversion charter school governing board with the same protections afforded to all other governing boards;
- (4) Authorizes charter schools to assess and collect special fees and charges from students for co-curricular activities; and
- (5) Allows a conversion charter school to establish its own enrollment procedures and apply certain enrollment preferences.

Your Committee on Conference has amended this measure by making technical, nonsubstantive amendments.

Your Committee on Conference finds that the Legislature did not intend the charter school law to include provisions for a contested case hearing between a charter school and its authorizer when Act 130 was enacted in 2012. The State Public Charter School

Commission, as an authorizer of charter schools, is expected to oversee and regulate charter schools to ensure that they are providing a high-quality education and that they are being responsibly managed. For that reason, the Commission should have the authority to revoke or choose not to renew contracts with charter schools that fail to meet the State's expectations on how public funds are spent.

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. 2205, 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. 2205, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Dela Cruz and Kahele.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Takumi, Rhoads, Johanson and Matsumoto.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Rhoads).

Conf. Com. Rep. 101-16 on H.B. No. 801

The purpose of this measure is to support the growth of renewable energy and the reduction of fossil fuel use in Hawaii by authorizing the issuance of not more than \$50,000,000 in special purpose revenue bonds to assist SunStrong LLC in providing renewable energy projects in the state.

After careful consideration, your Committee on Conference has amended this measure by clarifying that SunStrong LLC is an industrial enterprise, rather than a utility serving the general public in providing electric energy, gas, or telecommunications.

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. 801, 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. 801, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 102-16 on H.B. No. 1689

The purpose of this measure is to foster greater energy security for Hawaii.

Specifically, this measure:

- (1) Amends the existing ethanol facility income tax credit to include facilities that produce other renewable fuels;
- (2) Clarifies that one gallon of renewable fuels shall be equal to 76,330 British thermal units; and
- (3) Provides that a renewable fuels production facility must be in production on or before January 1, 2020, to qualify for the tax credit.

Your Committee on Conference finds that providing additional support to Hawaii's agriculture industry could help to reduce reliance on agricultural imports and to foster job growth in the State. Your Committee on Conference believes that reducing the burden on the emerging number of small farmers seeking costly, but necessary, certifications and inspections will help to promote the production of locally-grown food.

Your Committee on Conference has amended this measure by deleting its contents and inserting provisions to establish a temporary, nonrefundable organic foods production income tax credit to offset the costs incurred by qualified taxpayers in obtaining organic certification and producing organically produced agricultural products.

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. 1689, 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. 1689, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Lee, Luke, Cullen and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 103-16 on H.B. No. 1608

The purpose of this measure is to appropriate funds to the University of Hawaii for the Graduation Pathway System for fiscal year 2016-2017.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation amount of \$750,000; and
- (2) Changing its 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 H.B. No. 1608, 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. 1608, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Dela Cruz, Gabbard and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Choy, Nishimoto, Ichiyama and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 104-16 on H.B. No. 2582

The purpose of this measure is to assist farmers and ranchers in complying with state and federal food safety requirements by:

- (1) Establishing within the Department of Agriculture (DOA) an Agricultural Food Safety Certification Program (Program) that:
 - (A) Has a certification system which at a minimum complies with the requirements of the FDA Food Safety Modernization Act and concurrently satisfies the requirements of the FDA Food Safety Modernization Act and DOA;
 - (B) Researches less burdensome alternatives to satisfying the requirements of the FDA Food Safety Modernization Act;
 - (C) Establishes food safety compliance education programs; and
 - (D) Acts as an information clearinghouse for food safety laws; and
- (2) Appropriating funds for the development and implementation of the Program and staff positions within the Program.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriation for the development and implementation of the Program;
- (2) Specifying an appropriation amount of \$200,000 for a full-time equivalent program manager, one full-time equivalent clerical staff, and one full-time equivalent specialist; and
- (3) Changing its 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 H.B. No. 2582, 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. 2582, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Baker, Dela Cruz and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Tsuji, McKelvey, Onishi, DeCoite and Matsumoto.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 105-16 on H.B. No. 1814

The purpose of this measure is to provide a safe learning environment for students by:

- (1) Requiring the Department of Education to report to the Legislature no later than 20 days prior to the convening of the Regular Session of 2018 regarding:
 - (A) The Department's progress toward implementing sections 302A-1141 (limited punishment of pupils), 302A-1141.3 (prohibition on the use of seclusion, chemical restraint, or mechanical restraint), and 302A-1141.4 (limited use of physical restraint), Hawaii Revised Statutes; and
 - (B) The expenditure of appropriated funds, including details of the training provided and the data accountability to assist with the implementation of sections 302A-1141, 302A-1141.3, and 302A-1141.4, Hawaii Revised Statutes; and
- (2) Appropriating \$460,000 for fiscal year 2016-2017 to fund a full-time equivalent position (1.0 FTE) to provide training and data accountability to assist with the effective implementation of sections 302A-1141, 302A-1141.3, and 302A-1141.4, Hawaii Revised Statutes.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 1814, 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. 1814, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Galuteria and Kahele.

Managers on the part of the Senate.

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

Representatives Ohno, Johanson, Ichiyama and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 106-16 on H.B. No. 2267

The purpose of this measure is to support digital learning and the use of technology in public schools by:

- (1) Authorizing the expenditure of moneys allocated for printed curricular materials for the purchase of digital formats of the curricular materials;
- (2) Defining “curricular materials” to include instructional material in both printed and digital formats and replacing references to “school textbooks, instructional materials, library books, equipment, or supplies” with references to “curricular materials”;
- (3) Appropriating funds for digital devices for use in Department of Education school classrooms; and
- (4) Appropriating funds for the professional development of educators.

Your Committee on Conference has amended this measure by:

- (1) Removing the appropriations for:
 - (A) Digital devices for use in Department of Education school classrooms; and
 - (B) The professional development of educators;
- (2) Changing its effective date to upon its approval; and
- (3) Making 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. 2267, 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. 2267, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Wakai and Kahele.

Managers on the part of the Senate.

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

Representatives Ohno, Johanson, Ito and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 107-16 on H.B. No. 1050

The purpose of this measure is to address the spread of invasive species throughout the State that harms agriculture, native biota, public health, and the economic well-being of the State. More specifically, this measure:

- (1) Requires the Department of Agriculture (DOA) through existing contracts and appropriated funds for invasive species activities to undertake invasive species management related to agricultural lands and agricultural and non-agricultural commodities, including:
 - (A) Developing an interisland and export tracking database;
 - (B) Providing pest-specific risk level assessments for the interisland transport of non-agricultural commodities;
 - (C) Increasing the priority of inspecting the interisland transport of agricultural commodities;
 - (D) Developing quarantine treatments for high-risk commodities moving between islands;
 - (E) Coordinating with the Department of Transportation the planning of interisland quarantine activities at ports of entry;
 - (F) Implementing statewide pest management programs for potted plant, cut-flower, and cut-foliage production; and
 - (G) Providing chemicals and equipment to assist growers in reducing infestation in agricultural areas, statewide, as a result of interisland movement of invasive species; and
- (2) Requires the DOA to submit annual reports to the Legislature relating to the status of its mandated activities including projections of future expenditures and future acreage to be under pest management by crop; and

- (3) Appropriates funds from the Pest Inspection, Quarantine, and Eradication Fund for tasks described in paragraphs (1)(A) to (E) above (Tracking Database and other tasks);
- (4) Appropriates funds from the Agricultural Development and Food Security Special Fund for tasks described in paragraphs (1)(F) and (G) above (Plants and Chemicals and Equipment); and
- (5) Appropriates general funds for the purposes of this measure.

Your Committee on Conference has amended this measure by:

- (1) Specifying in its findings and purpose section that:
 - (A) DOA's Plant Quarantine Branch is a critical component in meeting the threat of invasive species entering and spreading throughout the State; and
 - (B) DOA should focus on preventing the introduction of invasive species into the State, in addition to reducing its presence in agricultural production areas and performing other specified tasks;
- (2) With respect to the interisland and export tracking database, providing that all proprietary information be kept confidential by DOA;
- (3) Deleting the requirement that DOA undertake pest-specific risk level assessment of non-agricultural commodities being transported interisland;
- (4) Requiring DOA to increase detection, response, and control programs to address agricultural pests statewide and deleting the requirements that DOA implement pest management programs for potted plants and other specified plants and provide chemicals and equipment to assist growers;
- (5) With respect to DOA's annual reports required by this measure, deleting the required inclusion of information relating to the number of acres in pest management in total and by crop and further requiring that the report be made part of the annual report that DOA is currently required to submit to the Legislature;
- (7) Changing all references to funding sources to general funds of the State and specifying the general fund appropriation amount of:
 - (A) \$100,000 for Tracking Database and other tasks;
 - (B) \$800,000 to increase detection, response, and control programs to address agricultural pests statewide, rather than for Plants and Chemicals and Equipment; and
 - (C) \$1,000,000 for planning, site selection, environmental documentation, and preliminary design for a facility for edible agricultural crops and another facility for non-edible crops for marshalling and treating exports from Hawaii Island, rather than for the purposes of this measure;
- (8) Adding a general fund appropriation of \$100,000 for the Auditor to conduct a financial and performance audit of DOA's Plant Quarantine Branch;
- (9) Changing its effective date to July 1, 2016; and
- (10) Making technical, nonsubstantive amendments for 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. 1050, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1050, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Gabbard, Riviere, Thielen and Slom.

Managers on the part of the Senate.

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

Representatives Tsuji, Onishi and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 108-16 on H.B. No. 2489

The purpose of this measure is to acknowledge the service and sacrifice of members and veterans of the United States Armed Forces by:

- (1) Addressing the various problems and needs of all veterans, with a primary focus on female veterans who served on active duty for the full period they were activated, by appropriating funds to establish one full-time equivalent permanent Veterans Services Counselor IV position in the Office of Veterans' Services; and
- (2) Appropriating funds for military and veterans commemoration events.

Your Committee on Conference has amended this measure by:

- (1) Appropriating the amount of \$50,772 to establish one full-time equivalent permanent Veterans Services Counselor IV position in the Office of Veterans' Services;

- (2) Appropriating the amount of \$200,000 for the Vietnam veterans fiftieth anniversary commemoration;
- (3) Changing its effective date to July 1, 2016; and
- (4) Making technical, nonsubstantive amendments for 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. 2489, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2489, S.D. 1, C.D. 1.

Signed by the Speaker of the House of Representatives and Chairs on behalf of the Committee.

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

Representatives Ito, Nakashima, Tokioka and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 109-16 on S.B. No. 2289

The purpose of this measure is to require employers, including those using professional employer organizations or third-party administrators, to keep a record of the former physical addresses and current physical address of the employer and the North American Industry Classification System code applicable to the employer.

Your Committee on Conference finds federal funding levels for the Department of Labor and Industrial Relations 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. Implementation of this measure will allow the Department of Labor and Industrial Relations to gather accurate data regarding employers and protect federal funding levels.

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. 2289, 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. 2289, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 110-16 on S.B. No. 2076

The purpose of this measure is to:

- (1) Establish a durable medical equipment supplier license program for suppliers of durable medical equipment, prosthetics, orthotics, and related supplies through the Office of Health Care Assurance;
- (2) Allow license fees to be deposited into the office of health care assurance special fund;
- (3) Amend the cap on amounts of the office of health care assurance special fund that may be used per fiscal year; and
- (4) Amend the balance of the office of health care assurance special fund above which monies shall be deposited into the general fund.

Your Committee on Conference finds that in 2013, the federal government established the durable medical equipment competitive bidding program in one hundred metropolitan areas across the nation. The City and County of Honolulu was included as one of those areas and is the only Hawaii locality that was required to participate. In the years since the competitive bidding program was established, the program has reduced reimbursements drastically for local providers, compromised the quality of care for residents, disrupted health status, and increased costs for seniors and their families.

Your Committee on Conference further finds that the federal government plans to roll out a form of the competitive bidding program into the neighbor islands in 2016, which will create greater challenges for rural beneficiaries when trying to access needed services, resulting in reductions in their health and quality of life. Establishing a licensing program will help to ensure that patients receive a minimum level of access to durable medical devices without increasing the costs or reducing availability of durable medical devices.

Your Committee on Conference has amended this measure by:

- (1) Inserting \$327,000 as the cap on the amount of the office of health care assurance special fund that may be used per fiscal year;
- (2) Inserting \$387,500 as the balance of the office of health care assurance special above which monies shall be deposited into the general fund; and

- (3) Changing the effective date to January 1, 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. 2076, 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. 2076, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Chun Oakland and Nishihara.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Nishihara).

Representatives Belatti, McKelvey, Nishimoto, Creagan and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Creagan).

Conf. Com. Rep. 111-16 on S.B. No. 2680

The purpose of this measure is to make certain housekeeping amendments within chapter 412, Hawaii Revised Statutes, including:

- (1) Clarifying and addressing inconsistencies within the fee schedule for financial institutions; and
- (2) Repealing the Credit Union Advisory Board.

Your Committee on Conference finds that this measure adds consistency within the fee schedule for financial institutions under chapter 412, Hawaii Revised Statutes. Your Committee on Conference notes that this measure does not add any new fees, but rather corrects and clarifies references to existing fees. This measure also repeals the Credit Union Advisory Board, as this board has been inactive since 2010 and there are currently no state-chartered credit unions in the State. Your Committee on Conference further finds that this measure makes chapter 412, Hawaii Revised Statutes, easier to understand, reduces questions about fees, and enhances the Division of Financial Institutions' ability to collect fees consistent with the fee schedule.

Your Committee on Conference has amended this measure by:

- (1) Inserting an effective date of upon its approval; 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. 2680, 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. 2680, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 112-16 on S.B. No. 2863

The purpose of this measure is to:

- (1) Authorize the issuance of a citation for certain technical violations of massage therapy laws by licensees;
- (2) Establish a process for licensees to contest a citation; and
- (3) Authorize an order of abatement and assessment of fines for each violation.

Your Committee on Conference finds that this measure expedites the Regulated Industries Complaints Office's enforcement of certain technical violations of the massage therapy laws and promotes swift compliance by licensees. Your Committee on Conference further finds that the citation process established by this measure also enables the Regulated Industries Complaints Office's staff to concentrate their efforts and resources on more serious violations.

Your Committee on Conference has amended this measure by:

- (1) Changing its effective date to July 1, 2016; 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. 2863, 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. 2863, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives McKelvey, San Buenaventura, Nishimoto, Oshiro and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 2 (Oshiro, Tupola).

Conf. Com. Rep. 113-16 on S.B. No. 2812

The purpose of this measure is to amend Hawaii's charitable registration and solicitation law, including:

- (1) Requiring affirmative disclosures to donors by professional solicitors;
- (2) Clarifying registration requirements and exemptions from registration;
- (3) Providing for electronic submission of certain forms and financial reports;
- (4) Authorizing the Attorney General to issue cease and desist orders and impose administrative fines;
- (5) Clarifying certain reporting requirements for charitable organizations; and
- (6) Making other technical amendments.

Your Committee on Conference finds that this measure makes various amendments to Hawaii's charitable registration and solicitation law, including requiring an affirmative disclosure in the course of solicitation, which will require professional solicitors to be more transparent and will prevent donor confusion and deceptive practices. This measure also provides for electronic submission of certain financial reports that professional solicitors are required to submit to the Attorney General and makes other amendments that simplify the filing process for charitable organizations. Your Committee on Conference further finds that this measure improves and clarifies Hawaii's charitable registration and solicitation law in a manner that better reflects the realities of the nonprofit fundraising environment, promotes transparency for donors, and encourages ease of compliance for charitable nonprofits.

Your Committee on Conference has amended this 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 S.B. No. 2812, 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. 2812, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Galuteria, Kidani and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives McKelvey, San Buenaventura, Nishimoto, Morikawa and Fukumoto Chang.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 114-16 on S.B. No. 2298

The purpose of this measure is to adopt a revised version of the Uniform Fiduciary Access to Digital Assets Act, which provides authority to plan for the management and disposition of digital assets.

Your Committee on Conference finds that the Uniform Law Commission has worked to address concerns raised by Internet service providers and privacy advocates over the original Uniform Fiduciary Access to Digital Assets Act, which the Uniform Law Commission first adopted in 2014. As a result of those efforts, the Uniform Law Commission has adopted a revised version of the Uniform Fiduciary Access to Digital Assets Act. Your Committee on Conference further finds that the Revised Uniform Fiduciary Access to Digital Assets Act, which this measure proposes to adopt, is intended to modernize fiduciary law for the Internet Age by providing Internet users with the ability and authority to plan for the management and disposition of their digital assets in a manner similar to the process for management and disposition of tangible property.

Your Committee on Conference has amended this measure by:

- (1) Changing the effective date to July 1, 2016; 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. 2298, 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. 2298, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Galuteria, Kidani and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives McKelvey, Rhoads, Nishimoto and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 115-16 on S.B. No. 2652

The purpose of measure bill is to:

- (1) Establish a five-year renewable fuels production tax credit;
- (2) Require the Department of Business, Economic Development, and Tourism to certify all renewable fuels production tax credits and submit a report regarding the production and sale of renewable fuels to the Governor and Legislature each year;
- (3) Repeal the existing ethanol facility tax credit;
- (4) Establish an organic foods production tax credit; and
- (5) Require the Department of Agriculture to certify all organic foods production tax credits.

Your Committee on Conference finds that Hawaii is 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 also finds that, as the most isolated populated land mass on Earth, Hawaii imports nearly ninety percent of its energy and almost one hundred percent of its transportation resources. Your Committee further finds that it is critical for Hawaii to ensure greater energy security by becoming more self-sufficient in its energy supply.

Your Committee on Conference has amended this measure by:

- (1) Deleting the organic foods production tax credit;
- (2) Making the annual dollar amount of the tax credit equal to twenty cents per seventy-six thousand British thermal units of renewable fuels;
- (3) Capping the amount of the tax credit an individual taxpayer may claim at \$3,000,000 per taxable year;
- (4) Capping the amount of credits the Department of Business, Economic Development, and Tourism may certify at \$3,000,000 in the aggregate; 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. 2652, 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. 2652, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Tokuda and Gabbard.

Managers on the part of the Senate.

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

Representatives Lee, Lowen, Onishi and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 116-16 on S.B. No. 3126

The purpose of this measure is to accelerate the goals of the Department of Education to cool Hawaii's schools, reduce energy costs, meet the State's clean energy goals, and authorize the issuance of general obligation bonds and the use of funds from the green infrastructure loan program to implement cooling measures in public schools to provide students with a better learning environment. Among other things, this measure:

- (1) Requires the Department of Education to establish the sustainable schools initiative with a goal of becoming net-zero with respect to energy use by January 1, 2035;
- (2) Requires the Department of Education to establish in each county at least one microgrid pilot project at public schools that also serves as emergency shelters to allow for continued operations even during the failure of the larger electric grid during a natural disaster;
- (3) Requires the Department of Education to expedite the cooling of all public school classrooms to a temperature acceptable for student learning, and to submit a report to the Legislature about the implementation of measures taken to cool public school classrooms;
- (4) Appropriates funds from the Hawaii green infrastructure special fund to the Department of Business, Economic Development, and Tourism for maximizing the energy efficiency of all schools;
- (5) Authorizes the Department of Education and Department of Budget and Finance, with the approval of the Governor, to borrow funds from the green infrastructure loan program for capital improvement program equipment and installation costs for air conditioning and other energy efficiency measures related to heat abatement in public schools; and
- (6) Appropriates general obligation bond funds to fund capital improvement program equipment and installation costs for air conditioning and other energy efficiency measures related to heat abatement in public schools.

Your Committee on Conference finds that there is an urgent need to implement air conditioning and other heat abatement measures in public school classrooms to preserve and promote the health and safety of students and teachers and to foster a more productive learning environment. In his 2016 State of the State address, the Governor challenged the Department of Education to cool one thousand classrooms by the end of the year, and while your Committee may not agree on the proposed method of financing, it views this measure as a vehicle and an opportunity to quickly bring relief to students and teachers statewide.

Your Committee on Conference has amended this measure by:

- (1) Removing language in the purpose section relating to cooling one thousand classrooms by the end of 2016;
- (2) Deleting language establishing a sustainable schools initiative within the Department of Education;
- (3) Deleting language requiring the Department of Education to establish a minimum of one microgrid pilot project;
- (4) Deleting language requiring the Department of Education to expedite cooling measures in all public school classrooms;
- (5) Deleting appropriations from the Hawaii green infrastructure special fund and general obligation bonds;
- (6) Deleting authorization for the Department of Education and Department of Budget and Finance to borrow funds from the green infrastructure loan program;
- (7) Appropriating \$100,000,000 in general funds to the Department of Education for capital improvement program equipment and installation costs for air conditioning, heat abatement, energy efficient lighting, and other energy efficiency measures at public schools;
- (8) Making this measure effective upon its approval; 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. 3126, 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. 3126, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Inouye and Tokuda.

Managers on the part of the Senate.

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

Representatives Lee, Takumi, Luke, Yamashita and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 117-16 on S.B. No. 2512

The purpose of this measure is to increase penalties and establish fines for animal desertion, except where the animal is released as part of a game management program.

Your Committee on Conference finds that thousands of animals, primarily dogs and cats, are abandoned across Hawaii every year, contributing to increased animal control costs, animal suffering and overpopulation, increased euthanasia rates at local animal shelters, and possible harm to native wildlife. Your Committee on Conference further finds that stronger penalties for animal desertion would encourage pet owners to work with local shelters and animal control contractors when a pet must be re-homed, strengthen pet retention and the human-animal bond, and protect pet owners and the animals themselves.

Your Committee on Conference emphasizes that this measure is not intended to apply to the release of animals as part of a designated population management program.

Your Committee on Conference has amended this measure by:

- (1) Moving language that would have amended section 143-2.6, Hawaii Revised Statutes, relating to animal desertion, to a new section under chapter 711, Hawaii Revised Statutes, relating to offenses against the public order, to establish the offense of pet animal or equine animal desertion;
- (2) Deleting language that would have exempted the release of an animal as part of a population management program from the offense of animal desertion;
- (3) Replacing the term "animal" with "pet animal", which is defined in section 711-1100, Hawaii Revised Statutes, as "a dog, cat, domesticated rabbit, guinea pig, domesticated pig, or caged birds (passeriformes, piciformes, and psittaciformes only) so long as not bred for consumption";
- (4) Including the term "equine animal", which is defined in section 711-1100, Hawaii Revised Statutes, as "an animal of or belonging to the family Equidae, including horses, ponies, mules, donkeys, asses, burros, and zebras";
- (5) Clarifying that desertion of a pet animal or equine animal is a petty misdemeanor subject to a fine not exceeding \$1,000 and recklessly causing the death of or substantial bodily harm to a pet animal or equine animal as a result of desertion is a misdemeanor subject to a fine not exceeding \$2,000;
- (6) Clarifying that each pet animal or equine animal that is deserted or suffers death or substantial bodily injury as a result of desertion constitutes a separate offense;
- (7) Inserting a definition of the term "desert" to mean to leave without the intent to return;
- (8) Making it effective upon its approval; 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. 2512, 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. 2512, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Keith-Agaran, Riviere and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, Nishimoto, Brower and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 118-16 on S.B. No. 2550

The purpose of this measure is to require the Office of the Governor to prepare a federal funding policy study for the State.

Your Committee on Conference finds that various state government programs and projects receive federal funding. However, federal funds may not always be available to support the various state government programs and projects that rely on this funding. Accordingly, your Committee finds that a comprehensive analysis of the possible consequences of a reduction in federal funding for state government programs and projects will assist policymakers in the development of responsible financial strategies.

Your Committee on Conference has amended this measure by:

- (1) Inserting a \$100,000 appropriation for fiscal year 2016-2017; and
- (2) 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. 2550, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2550, 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 (Slom).

Representatives Luke, Cullen, Jordan and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Jordan).

Conf. Com. Rep. 119-16 on S.B. No. 2922

The purpose of this measure is to require the Tax Review Commission that was appointed on or before July 1, 2015, or its successor commission intended to function prior to the appointment of a new commission on or before July 1, 2020, to submit its evaluation of the State's tax structure and its recommendations of revenue and tax policy to the Legislature prior to the Regular Session of 2018.

Additionally, this measure appropriates an unspecified amount of general funds to the Department of Taxation for use by the Tax Review Commission in its evaluation and recommendations.

Your Committee on Conference has amended this measure by specifying the appropriation amount as \$250,000.

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. 2922, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2922, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Luke, Nishimoto, Onishi and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 120-16 on S.B. No. 2559

The purpose of this measure is to address homelessness by providing more emergency and transitional shelter space funded in a cost-effective manner.

Specifically, this measure:

- (1) Establishes minimum requirements regarding sanitation facilities, partitioned space, and storage for personal possessions in emergency shelters that receive stipends from or are owned by the Department of Human Services;
- (2) Authorizes the Department of Human Services to establish additional requirements for emergency shelters;
- (3) Requires provider agencies that provide homeless shelter or assistance to submit financial audits annually, instead of triennially;
- (4) Requires that homeless shelter stipends be made based upon performance measures actually achieved;

- (5) Repeals statutory automatic annual adjustments of homeless stipend amounts and authorizes the Department of Human Services to contract with the provider agency for automatic adjustments;
- (6) Requires that shelter and service payments amounts collected from homeless families and individuals be based upon ability to pay or other criteria established by contract with the Department of Human Services;
- (7) Establishes positions and appropriates funds to assist in the operation of the homeless program;
- (8) Appropriates funds for the establishment or improvement of emergency and transitional shelters for the homeless and for non-recurring costs for projects or programs to assist homeless families and individuals; and
- (9) Requires the Department of Human Services to submit interim and final reports on the expenditure of funds in 2017 and 2018, respectively, for the establishment or improvement of emergency and transitional shelters for the homeless and for non-recurring costs for projects or programs to assist homeless families and individuals.

Your Committee on Conference believes that requiring, rather than authorizing, emergency shelters to provide partitioned space for each homeless family or individual will help to make emergency shelters more appealing to homeless families and individuals. Further, your Committee notes that the funds appropriated and positions established by this measure are more suitable for inclusion within House Bill No. 1700, the Supplemental Appropriations Act of 2016.

Your Committee has amended this measure by:

- (1) Requiring, rather than authorizing, shelters to provide partitioned space for each homeless family or individual;
- (2) Deleting the provisions establishing and appropriating an unspecified amount of general funds for 2.0 permanent full-time equivalent (2.0 FTE) program specialist IV positions to assist in the operation of the homeless program;
- (3) Deleting the provision appropriating an unspecified amount of general funds for the establishment or improvement of emergency and transitional shelters for the homeless and funding of other non-recurring costs for projects or programs to assist homeless families and individuals;
- (4) Deleting the provisions requiring the Department of Human Services to submit reports to the Legislature and Governor on the expenditure of funds for the establishment or improvement of emergency transitional shelters after June 30, 2017;
- (5) Making section 6, which requires any contract executed after June 30, 2017, between the Department of Human Services and a provider of emergency or transitional shelter, to comply with the requirements of the measure, effective July 1, 2016; and
- (6) Making the effective date for sections 1 through 5, 7, and 8 of the measure July 1, 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. 2559, 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. 2559, S.D. 1, H.D. 1, C.D. 1.

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

Senators Tokuda, Harimoto, Chun Oakland, Galuteria and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Morikawa, Luke, Jordan and McDermott.
Managers on the part of the House.
Ayes, 2. Noes, 1 (Jordan). Excused, 1 (McDermott).

Conf. Com. Rep. 121-16 on S.B. No. 2547

The purpose of this measure is to require the Department of Taxation to periodically review certain exemptions, exclusions, and credits under the general excise and use taxes, public service company tax, and insurance premium tax.

The measure also requires the Department of Taxation to make recommendations on whether the reviewed exemptions, exclusions, or credits should be retained, amended, or repealed.

Your Committee on Conference has amended this measure by requiring the Auditor, rather than the Department of Taxation, to conduct the reviews.

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. 2547, 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. 2547, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Dela Cruz and Galuteria.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Luke, Cachola, DeCoite and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Cachola).

Conf. Com. Rep. 122-16 on S.B. No. 2845

The purpose of this measure is to appropriate general funds for fiscal year 2016-2017 to repay prior general fund cash advances for:

- (1) The purchase of lands of the former Kapalama Military Reservation; and
- (2) The Hawaii Health Systems Corporation for its employer contributions to the Employees' Retirement System and the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee on Conference finds that that the State's general fund balance currently reflects repayments for two cash advances totaling \$103,200,000 that have not been repaid: An \$89,900,000 cash advance authorized in 1989 for the purchase of lands of the former Kapalama Military Reservation; and a \$13,300,000 cash advance made in fiscal year 2002-2003 for Hawaii Health Systems Corporation contributions to the Employees' Retirement System and to the Hawaii Employer-Union Health Benefits Trust Fund.

Thus, the assets and liabilities of the general fund are currently overstated by \$103,200,000, and it appears unlikely that these cash advances will be repaid.

Your Committee on Conference further finds that appropriating moneys to formally reconcile these general fund cash advances will more accurately reflect the general fund balance and actual resources available to finance state programs and expenses.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation amount for the purchase of lands of the former Kapalama Military Reservation from an unspecified amount to \$89,900,000; and
- (2) Changing the appropriation amount for the Hawaii Health Systems Corporation from an unspecified amount to \$13,300,000.

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. 2845, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2845, 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 (Slom).

Representatives Luke, Kobayashi, Nishimoto and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 123-16 on S.B. No. 2555

The purpose of this measure is to appropriate moneys to be deposited 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 on Conference finds that when certain economic conditions occur, article VII, section 6, of the Hawaii Constitution requires the Legislature to either provide a tax refund or tax credit to state taxpayers or make a deposit into one or more funds to serve as a reserve for the State. These constitutionally established conditions were met at the end of fiscal years 2013-2014 and 2014-2015. 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 2014-2015 exceeded fiscal year 2013-2014'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 constitutionally established economic conditions have been met, the statutorily established economic conditions to make a deposit of general funds into the emergency budget and reserve fund were not met.

Your Committee on Conference finds that notwithstanding the statutory provisions, it is prudent to make a deposit into the emergency and budget reserve fund rather than provide a tax refund or tax credit. Increasing the reserve fund balance is in the public's best interest, as it will better enable the State to address possible emergencies and contingencies that may occur in the future when state revenues decline.

Your Committee on Conference has amended this measure by:

- (1) Inserting an appropriation of \$1,000,000 from the general revenues to be deposited into the emergency and budget reserve fund; and
- (2) Changing the effective date so that the measure becomes effective 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 S.B. No. 2555, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2555, 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 (Slom).

Representatives Luke, Johanson, Nishimoto and Pouha.

Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 124-16 on S.B. No. 2551

The purpose of this measure is to require the Judiciary to annually report to the Legislature on all non-general funds managed by the Judiciary, including administratively established accounts and funds.

Your Committee on Conference finds that it is necessary to be informed of the total fiscal situation of the State to make sound budgetary decisions. The Auditor's Report No. 15-16, "Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Judiciary", reported that "[a]ccording to [j]udiciary personnel, sections 37-47(9), (10), and (11), Hawaii Revised Statutes, do not apply to its special funds." As a result, the Auditor found that several trust funds and accounts of the Judiciary were not reported to the Legislature. This measure imposes on the Judiciary the same non-general fund reporting requirements imposed on executive branch departments.

Your Committee on Conference has amended this measure by:

- (1) Amending the purpose section to appropriately reflect the findings of Auditor's Report No. 15-16 and make conforming amendments;
- (2) Inserting language from S.B. No. 2551, as introduced, that inserts a new section in chapter 601, Hawaii Revised Statutes, to require the Judiciary to annually report to the Legislature certain information regarding each non-general fund account; 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. 2551, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2551, 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 Rhoads, Jordan, Kawakami and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 125-16 on S.B. No. 2108

The purpose of this measure is to authorize the Attorney General and county prosecuting attorneys to use administrative subpoenas to obtain records in criminal investigations, regardless of whether the recipient or the records are physically located within the State.

Your Committee on Conference finds that during all phases of a criminal case, the Attorney General and county prosecutors frequently need to obtain records from an entity located outside of the State. However, existing law pertaining to criminal records process only authorizes the use of grand jury subpoenas and trial subpoenas to obtain records held by entities located outside of the State. As a result, the Attorney General and county prosecutors have no authority to use administrative subpoenas to obtain records that are held by entities located outside of the State during the investigative phase of a criminal case. Implementation of this measure will facilitate criminal investigations and properly enable the use of subpoenas during all phases of a criminal case.

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. 2108, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2108, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kahele and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Rhoads, DeCoite, San Buenaventura and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 126-16 on S.B. No. 2106

The purpose of this measure is to:

- (1) Increase the per diem payments for an out-of-state witness in criminal cases from \$145 to an unspecified amount; and
- (2) Increase the per diem payment supplement from \$90 to an unspecified amount for a witness from any island other than the island on which the court is located when that witness is required to stay overnight.

Your Committee on Conference finds that the criminal case witness per diem stipend amounts have not kept pace with Hawaii's cost of living. Given the increases in costs for lodging and food, the existing per diem stipend amounts are insufficient to cover personal expenses and, as a result, may prevent victims of crimes from pursuing charges against criminal offenders. This measure

increases the per diem stipend amounts for out-of-state witnesses and witnesses who require an overnight stay on another island in the State to support and encourage victims and other witnesses to report criminal offenses and pursue criminal charges.

Your Committee on Conference has amended this measure by:

- (1) Inserting a per diem amount of \$200 for an out-of-state witness in a criminal case;
- (2) Inserting a per diem amount of \$145 for a witness from any island other than the island on which the court is located when that witness is required to stay overnight; and
- (3) 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. 2106, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2106, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Galuteria and Shimabukuro.

Managers on the part of the Senate.

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

Representatives Rhoads, LoPresti, Cullen and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 127-16 on S.B. No. 2077

The purpose of this measure is to:

- (1) Authorize a severance benefit or special retirement benefit to an employee who is separated from service due to the transfer of management and operations of the Hawaii Health Systems Corporation Maui Regional System and who elects to separate from service when the employee's position is identified for abolishment or when the employee is directly affected by a reduction-in-force or workforce restructuring plan; provided certain requirements are satisfied; and
- (2) Require the State to pay, on behalf of certain Hawaii Health Systems Corporation retirees, a percentage of the base Medicare or non-Medicare monthly contribution to the Hawaii Employer-Union Health Benefits Trust Fund and one-half of the monthly contributions for the employee-beneficiary with dependent beneficiaries upon the death of the employee.

Your Committee on Conference finds that public employees who are displaced through privatization or the closure of a state or county facility frequently face excessive economic hardship. Displaced employees may have only a few years of creditable service or be close to retirement but still need additional years of service. Implementation of this measure addresses the complexity of employees who are at different life stages and will decrease economic hardship associated with layoffs due to the transfer of management and operations of the Maui Regional System.

Your Committee on Conference has amended this measure by making technical 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. 2077, 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. 2077, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Kahele.

Managers on the part of the Senate.

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

Representatives Nakashima, Luke, Yamashita and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 128-16 on S.B. No. 2723

The purpose of this measure is to increase the maximum penalties for government contractors who violate the State's wages and hours of employees on public works law to:

- (1) A penalty that is equal to ten percent of the amount of back wages due or an unspecified amount per offense, whichever is greater, for the first offense;
- (2) A penalty equal to an unspecified amount per offense for a second violation occurring within two years of the first notification of violation; and
- (3) A penalty that is equal to an unspecified amount per offense for a third violation occurring within three years of the second notification of violation.

Your Committee on Conference finds that the existing penalties for government contractors who violate the State's wages and hours of employees on public works law, codified as chapter 104, Hawaii Revised Statutes, are insufficient in deterring certain contractors from underpaying employees. When contractors comply with chapter 104, Hawaii Revised Statutes, there is a level playing field for

bidding on state and county projects. Implementation of this measure assists the Department of Labor and Industrial Relations in enforcing chapter 104, Hawaii Revised Statutes, and encourages government contractors to comply with the law.

Your Committee on Conference has amended this measure by:

- (1) Amending the penalty for the first violation to twenty-five percent of the amount of back wages found due or \$250 per offense, up to \$2,500, whichever is greater;
- (2) Amending the penalty for the second violation to the amount of back wages found due or \$500 per offense, up to \$5,000, whichever is greater;
- (3) Amending the penalty for the third violation to two times the amount of back wages found due or \$1,000 per offense, up to \$10,000, whichever is greater; and
- (4) 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. 2723, 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. 2723, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Taniguchi and Kahele.

Managers on the part of the Senate.

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

Representatives Nakashima, Rhoads, Keohokalole, Yamashita and Fukumoto Chang.

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Rhoads, Yamashita).

Conf. Com. Rep. 129-16 on S.B. No. 2439

The purpose of this measure is to establish exceptions to the offense of obstructing government operations and the offense of violation of privacy in the second degree for a person making a video or audio recording or photograph of a law enforcement officer while the officer is in the performance of duties in a public place or under circumstances in which the officer has no reasonable expectation of privacy; provided that the officer may take reasonable action to maintain safety and control, secure crime scenes and accident sites, protect the integrity and confidentiality of investigations, and protect the public safety and order.

Your Committee on Conference finds that due to the popularity and widespread use of smartphones with video or audio recording and photographing capabilities, such as videos, recordings, and photos of law enforcement officers who are exercising their duties have been used as evidence in police conduct matters or widely disseminated via social media. However, such recordings and photographs may be seen as obstructing government operations or an invasion of privacy. This measure establishes an exception under certain circumstances to enable a person to record or photograph a law enforcement officer exercising the officer's duties without violating the law.

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. 2439, 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. 2439, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kahele and Shimabukuro.

Managers on the part of the Senate.

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

Representatives Rhoads, DeCoite, San Buenaventura, Takayama and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 130-16 on H.B. No. 1041

The purpose of this measure is to enhance the management and protection of resources pertaining to hunting. Specifically, this measure:

- (1) Establishes the Game Management Advisory Commission to serve in an advisory capacity to the Board of Land and Natural Resources for policies and criteria regarding public hunting;
- (2) Establishes the composition and powers of the Game Management Advisory Commission;
- (3) Requires the Game Management Advisory Commission to submit annual reports to the Legislature; and
- (4) Appropriates funds for the establishment of the Game Management Advisory Commission.

Your Committee on Conference has amended this measure by:

- (1) Appropriating \$40,000 for the establishment of the Game Management Advisory Commission;
- (2) Changing its effective date to July 1, 2016; and

- (3) 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. 1041, 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. 1041, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Inouye, Shimabukuro and Slom.

Managers on the part of the Senate.

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

Representatives Yamane, Rhoads, Cullen, Onishi and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 131-16 on H.B. No. 1749

The purpose of this measure is to amend the goals of the Hawaii water plan to include increased utilization of reclaimed water in all state facilities, where feasible.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the goal shall be to achieve utilization of reclaimed water for uses other than drinking and for potable water needs in one hundred percent of state and county facilities by December 31, 2045; and
- (2) Making the measure effective 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. 1749, 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. 1749, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Kim, Dela Cruz and Slom.

Managers on the part of the Senate.

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

Representatives Yamane, Cullen, Lee and Pouha.

Managers on the part of the House.

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

Conf. Com. Rep. 132-16 on H.B. No. 2029

The purpose of this measure is to establish the Water Infrastructure Loan Program to enable private entities to purchase or install water infrastructure equipment for water distribution systems.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation amounts to \$800,000;
- (2) Deleting the appropriation for the implementation of the Hawaii Water Infrastructure Loan Program; and
- (3) 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 H.B. No. 2029, 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. 2029, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, Wakai, English and Slom.

Managers on the part of the Senate.

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

Representatives Yamane, Cullen, Evans and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 133-16 on H.B. No. 2037

The purpose of this measure is to appropriate funds to the Department of Land and Natural Resources to host the International Union for Conservation of Nature World Conservation Congress meeting at the Hawaii Convention Center on September 1 to 10, 2016.

Your Committee on Conference hopes that in response to the support offered that the State of Hawaii will be given a prominent role at the meeting, and that its local vendors will be highlighted. Your Committee on Conference also expects that the Department of Land and Natural Resources will seek matching funds from other sources to accomplish the goals of this measure.

Your Committee on Conference has amended this measure by:

- (1) Deleting language from the preamble;
- (2) Changing the appropriation amount to \$4,000,000;
- (3) Changing the appropriation to fiscal year 2015-2016 and extending its lapse date to June 30, 2017;
- (4) Removing the provisions that required matching private funds; and
- (5) Changing its 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. 2037, 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. 2037, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Gabbard, English, Tokuda and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Yamane, Brower, Cullen and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 134-16 on H.B. No. 2040

The purpose of this measure is to increase the State's water security. Specifically, this measure:

- (1) Establishes a two-year pilot program on developing public-private partnerships that increase water security;
- (2) Establishes a water security advisory group to advise the Department of Land and Natural Resources on water security proposals; and
- (3) Authorizes the Department of Land and Natural Resources, upon the advice of the advisory group, to provide matching state funds for projects and programs that:
 - (A) Increase the recharge of groundwater resources;
 - (B) Encourage the reuse of water and reduce the use of potable water for landscaping irrigation; and
 - (C) Improve the efficiency of potable and agricultural water use.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that a designee of the Manager and Chief Engineer of the county Boards of Water Supply may be a member of the water security advisory group;
- (2) Changing the appropriation amount to \$750,000; and
- (3) 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 H.B. No. 2040, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 2040, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Yamane, Lee, Cullen and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 135-16 on H.B. No. 2090

The purpose of this measure is to streamline the operations of the Office of the Assistant Registrar of the Land Court by removing the requirement that the Assistant Registrar certify uncertified certificates of title for fee time share interests.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 2090, 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. 2090, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Yamane, Cullen, Lee and Pouha.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 136-16 on H.B. No. 2247

The purpose of this measure is to authorize the State and counties to pay the approved travel costs incurred by their officers and employees for official State or county business, either directly to the vendor or by cash advance to the officer or employee, unless otherwise provided by a collective bargaining agreement.

Your Committee on Conference is addressing the problem faced by many public employees when they are required to pay for official business out of their own funds and wait to be reimbursed. While waiting to be reimbursed, government employees face financial difficulties.

Your Committee on Conference has amended the bill by:

- (1) Permitting the State or county to make payment directly to the officer or employee unless the officer or employee affirmatively consents to loan the State or county the money for the travel costs and be reimbursed after the officer or employee pays for the travel costs; provided that the employer shall not take adverse employment action against an officer or employee who does not affirmatively consent to the arrangement; and
- (2) Making this measure effective 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. 2247, 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. 2247, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kim and Taniguchi.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Rhoads, Johanson, Keohokalole and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 137-16 on H.B. No. 2671

The purpose of this measure is to assist the Attorney General in the gathering and reporting of critical criminal justice data by:

- (1) Requiring the county chiefs of police and state and county agencies with arrest powers to provide crime incident reports and other related crime information to the Attorney General to operate a statewide crime reporting program and to cooperate with the Federal Bureau of Investigation's Uniform Crime Reporting Program; and
- (2) Establishing a fine for state agency, county agency, and county chief of police noncompliance with the requirements of this measure.

Your Committee on Conference finds that accurate, timely, and comprehensive reporting of crime data is vital to the administration of justice and enables law enforcement agencies to better monitor the allocation of agencies' scarce resources and keeps the public informed.

Your Committee on Conference has amended this measure by:

- (1) Deleting the establishment of a fine for not complying with the requirements of this measure;
- (2) Changing its effective date to upon its 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. 2671, 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. 2671, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Nishihara, Keith-Agaran, Galuteria, Shimabukuro and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Rhoads, LoPresti, Hashem and McDermott.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (McDermott).

Conf. Com. Rep. 138-16 on H.B. No. 2561

The purpose of this measure is to implement recommendations made by the Penal Code Review Committee. Specifically, this measure amends various chapters of the Hawaii Penal Code and makes conforming amendments to several related statutes outside of the Hawaii Penal Code.

Your Committee on Conference wishes to strongly emphasize that the value of this measure in reforming the Hawaii Penal Code and related other statutes must be considered in its entirety. The measure reflects the majority consensus recommendations of the Penal Code Review Committee established pursuant to House Concurrent Resolution No. 155, S.D.1 (2015), which was composed of judges, prosecutors, public defenders, members of the defense bar, crime victims' advocates, legislators, law enforcement officials, the director of the Department of Public Safety, a representative from the Office of Hawaiian Affairs, and community advocates from a variety of backgrounds. The Review Committee also solicited input from relevant stakeholders. As the executive summary of the Penal Code Review Committee report notes, its work "drew on the collective experience of its diverse membership and, at the same time, attempted to see what current criminal justice research could teach."

The work of the Penal Code Review Committee ultimately recommended changes to fifty existing statutes and adoption of four new statutes, culminating in a total of eighty-four proposals. Key proposals included amendments aimed at making forensic examinations of defendants more efficient and timely, and ensuring that, regardless of whether a pre-sentence diagnosis is performed, reasonable efforts are made to inform victims and their families of the right to be present and heard at sentencing, particularly in felony cases. The measure also includes a new section clearly establishing the priority for payments that a defendant is ordered to make, including restitution, crime victims compensation fee, probation services fee, human trafficking victims services fees, DNA analysis monetary assessment, and fines. This measure additionally affords new statutory authority for a court to add, as a condition for probation under certain circumstances, that a defendant submit to searches by a probation officer of his or her person, residence, vehicle, or other sites and property under the person's control, and to sign a waiver of extradition and pay extradition costs as the court may determine.

Your Committee on Conference has concluded that it is necessary to further strengthen the habitual property crime statute, section 708-803, Hawaii Revised Statutes (HRS). While it is not desirable to incarcerate an individual for stealing items worth \$300, the current felony theft threshold, especially when reminded of the fact that each day of incarceration costs Hawaii taxpayers \$137 per incarcerated individual, it is important to properly penalize those individuals who have made a career of thievery. Accordingly, the required number of prior convictions needed in order for an individual to be charged as a habitual property crime perpetrator has been reduced by one conviction, to either two felonies, two misdemeanors, a felony and a misdemeanor, a felony and a petty misdemeanor, a misdemeanor and a petty misdemeanor, or three petty misdemeanors. For the first time, petty misdemeanor theft will be included under the habitual threat statute. Along with the amendment based on the Penal Code Review Committee's recommendation to double the length of time from five years to ten years that a conviction can qualify one for habitual theft status, these amendments will hold habitual thieves more accountable.

Your Committee believes that the amendments to the habitual property crime statute address concerns of business owners that by raising the threshold value of items stolen, criminal activity will be encouraged. To the contrary, as concluded in a recent Pew Charitable Trusts issue brief that analyzed the possible relationship between increased felony theft thresholds and property crime rates in thirty states between 2001 and 2011, raising felony theft thresholds has had no impact on overall property crime. Further, states that have increased their thresholds have reported roughly the same average decrease in crime as states that did not and the amount of a state's felony theft threshold has not correlated with its property crime and theft rates.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the prohibition against suspending the right to bail when the defendant raises a mental health defense or unfitness to proceed does not apply to defendants who are under an order of commitment to a hospital for mental health purposes;
- (2) Reducing by one the number of qualifying convictions required to meet the habitual property crime perpetrator status and allowing any offense committed under chapter 708, HRS, to qualify;
- (3) Referencing the definition of an offense "committed in the presence of a minor" from section 706-606.4, HRS, in the abuse of a family or household member statute;
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style; and
- (5) Making this measure take effect on July 1, 2016.

Finally, your Committee on Conference wishes to emphasize that it is the Legislature's duty to review and propose statutory revisions and that, as a whole, this measure represents the Legislature's current comprehensive policy position on revision to the Hawaii Penal Code and ancillary related statutes in other chapters of the HRS. While your Committee is aware and expects that further revisions will be debated and considered in future years, your Committee strongly urges that this measure be enacted to provide broad-ranging substantive reform, fairness, and efficiency to the administration of justice in our 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 H.B. No. 2561, 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. 2561, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kahele and Shimabukuro.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Rhoads, LoPresti, San Buenaventura and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 139-16 on H.B. No. 1543

The purpose of this measure is to:

- (1) Authorize the issuance of general obligation bonds to finance project appropriations contained in Acts of the Legislature for which the means of funding are designated as general obligation bond funds or reimbursable general obligation bond funds; and
- (2) Make a declaration of findings regarding the authorizations as required by the Constitution of the State of Hawaii.

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 its 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. 1543, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1543, S.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 (Slom).

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

Conf. Com. Rep. 140-16 on H.B. No. 1700

PART I. OVERVIEW

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 reduces \$14,210,046 in all funds, inclusive of reducing \$13,761,322 in general funds, for fiscal year 2015-2016 and appropriates an additional \$405,792,059 in all funds, inclusive of \$202,317,436 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	\$6,832,489	\$7,281,213	\$507,796,893	\$336,576,420
Conference Draft Change To Executive Request	(\$21,042,535)	(\$21,042,535)	(\$102,004,834)	(\$134,258,984)

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 119, SLH 2015	\$12,874,418,668	\$6,584,744,854	\$13,296,497,506	\$6,834,254,853
Net Change Of Conference Draft	(\$14,210,046)	(\$13,761,322)	\$405,792,059	\$202,317,436
Total Appropriation	\$12,860,208,622	\$6,570,983,532	\$13,702,289,565	\$7,036,572,289

PART II. OPERATING BUDGET

Agriculture

The Administration’s request was to add \$85,118 in general funds and \$476,345 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Agriculture’s appropriation for fiscal year 2016-2017 by adding \$1,091,987 in general funds and \$1,407,500 in non-general funds.

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

- (1) Adding \$500,000 in general funds for pesticide regulation expenses;
- (2) Adding \$500,000 in special funds for a Kauai Nene Pilot Project to protect against crop damage from Nene geese; and

- (3) Adding \$500,000 in special funds for agricultural development and research in coordination with agricultural commodity organizations.

Accounting and General Services

The Administration's request was to add \$5,504,894 in general funds and \$1,568,859 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Accounting and General Services' appropriation for fiscal year 2016-2017 by adding \$2,292,749 in general funds and \$1,568,859 in non-general funds.

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

- (1) Adding 8.00 positions and \$319,190 in general funds for the implementation of a centralized system for payroll, and time and attendance;
- (2) Adding \$1,200,000 in special funds for system enhancements to the Maui Police Department 911 Call Center in the interest of public safety;
- (3) Adding 3.00 positions and \$132,486 in general funds for cyber security; and
- (4) Adding 4.00 positions and \$525,387 in general funds for custodial and utility costs for the re-occupancy of the Kamamalu Building.

Attorney General

The Administration's request was to add \$2,359,461 in general funds and \$12,086,606 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of the Attorney General's appropriation for fiscal year 2016-2017 by adding \$2,647,735 in general funds and \$12,024,075 in non-general funds.

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

- (1) Adding \$380,000 in general funds for Statewide Sexual Assault Services;
- (2) Adding \$2,500,000 in interdepartmental transfer funds for interdepartmental reimbursements for legal services;
- (3) Adding \$1,063,000 in general funds, \$83,000 in special funds, \$105,000 in federal funds, and \$689,000 in interdepartmental transfer funds for deputy attorneys general salary increases;
- (4) Adding \$700,000 in general funds for Career Criminal Prosecution Statewide units; and
- (5) Adding \$800,339 to the other federal funds ceiling.

Business, Economic Development, and Tourism

The Administration's request was to add \$6,134,165 in general funds and \$35,331,555 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Business, Economic Development, and Tourism's appropriation for fiscal year 2016-2017 by adding \$4,030,266 in general funds and reducing \$14,014,881 in non-general funds.

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

- (1) Adding \$150,000 in general funds for an unmanned aerial systems test site for the Office of Aerospace Development;
- (2) Adding \$100,000 in general funds for the Creative Lab program;
- (3) Adding \$100,000 in general funds for the Hawaii Broadband Initiative; and
- (4) Adding 1.00 position and \$92,386 in revolving funds for a Transit-Oriented Coordinator for the Hawaii Housing Finance and Development Corporation.

Budget and Finance

The Administration's request was to add \$130,084,811 in general funds and \$11,494,559 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Budget and Finance's appropriation for fiscal year 2016-2017 by adding \$47,887,320 in general funds and \$17,349,226 in non-general funds.

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

- (1) Making additional payments of \$81,937,500 in general funds to pre-fund other post-employment benefit obligations of the State;
- (2) Adding \$600,000 in general funds for a new budget report writing system for the Departmental Administration and Budget Division; and
- (3) Adding 2.00 positions and \$60,716 in general funds for the Budget, Program Planning, and Management Division.

Commerce and Consumer Affairs

The Administration's request was to add \$1,669,991 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Commerce and Consumer Affairs' appropriation for fiscal year 2016-2017 by adding \$1,504,991 in non-general funds.

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

- (1) Adding \$304,889 for fiscal year 2016-2017 in special funds for the Public Utilities Commission's administration expenses assessment; and
- (2) Adding \$500,000 for fiscal year 2016-2017 in special funds for the upgrade of the Financial Institutions Management System.

Defense

The Administration's request was to add \$3,610,068 in general funds and to reduce \$1,183,171 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Defense's appropriation for fiscal year 2016-2017 by adding \$4,590,901 in general funds and \$15,662,061 in non-general funds.

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

- (1) Adding 10.00 temporary positions and \$437,740 in general funds for Hawaii Emergency Management Agency staffing for new disaster projects;
- (2) Adding \$669,000 in general funds for repair and maintenance of the department's state buildings and structures;
- (3) Adding \$541,980 in general funds to reduce the department's negative adjustment;
- (4) Adding 7.00 positions and \$502,036 in general funds for a multi-skilled burial team and equipment for the Hawaii State Veterans' Cemetery; and
- (5) Adding \$758,000 in general funds and \$1,636,720 in other federal funds for veterans' assistance burial services and cemetery repair and maintenance.

Education

Regular Education

The Administration's request was to add \$45,586,668 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Education's appropriation for fiscal year 2016-2017 by adding \$31,488,109 in general funds and reducing \$2,782,947 in non-general funds.

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

- (1) Adding \$16,537,791 in general funds for the Weighted Student Formula;
- (2) Adding \$5,215,919 in general funds for electricity costs;
- (3) Adding \$6,984,689 in general funds for public school transportation services;
- (4) Adding \$670,000 in general funds for Alternative Teacher Route Programs; and
- (5) Adding \$650,000 in general funds for tree trimming, foliage control, and pest control.

Hawaii State Public Library System

The Administration's request was to add \$771,454 in general funds and \$500,000 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Hawaii State Public Library System's appropriation for fiscal year 2016-2017 by adding \$820,727 in general funds and \$500,000 in non-general funds.

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

- (1) Adding \$370,727 in general funds for security services statewide;
- (2) Adding \$250,000 in general funds and \$500,000 in special funds for library books and materials; and
- (3) Adding \$200,000 in general funds to reduce the repair and maintenance backlog for public libraries statewide.

Charter Schools

The Administration's request was to reduce \$2,610,602 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Charter Schools' appropriation for fiscal year 2016-2017 by reducing \$3,436,840 in general funds.

Early Learning Program

The Administration's request was to add \$98,108 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Early Learning Program's appropriation for fiscal year 2016-2017 by adding \$117,854 in general funds.

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

- (1) Adding \$41,000 in general funds for mileage, transportation, and computer equipment for the Pre-kindergarten Program; and
- (2) Adding 2.00 temporary positions and \$76,854 in general funds for the Executive Office on Early Learning.

Governor

The Administration's request was to add \$578,974 in general funds and reduce \$311,348 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Office of the Governor's appropriation for fiscal year 2016-2017 by adding \$520,000 in general funds and reducing \$311,348 in non-general funds.

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

- (1) Adding 2.00 temporary positions and \$300,000 in general funds for Office of Military Affairs and Federal Grants Maximization; and
- (2) Adding \$150,000 in general funds for personal services.

Hawaiian Home Lands

The Administration's request was to add \$7,512,374 in general funds for fiscal year 2015-2016, and to add \$8,192,157 in general funds and reduce \$23,036,859 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Hawaiian Home Lands' appropriation by adding \$7,512,374 in general funds for fiscal year 2015-2016, and by adding \$14,293,340 in general funds and reducing \$10,508,882 in non-general funds for fiscal year 2016-2017.

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

- (1) Adding \$17,144,374 in general funds for administrative and operating expenses for fiscal year 2015-2016;
- (2) Adding 28.00 positions and \$1,484,364 in general funds for additional staffing for administrative and operating support; and
- (3) Changing the means of financing for 163.00 permanent and 9.00 temporary positions from special and trust funds to general funds.

Health

The Administration's request was to add \$22,722,386 in general funds and \$4,413,670 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Health's appropriation for fiscal year 2016-2017 by adding \$17,310,754 in general funds and \$4,544,018 in non-general funds.

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

- (1) Adding \$6,000,000 in general funds for Hawaii State Hospital deficit;
- (2) Adding \$3,000,000 in general funds for Kupuna Care; and
- (3) Adding 20.00 positions and \$1,270,120 in general funds for the management of the Dengue fever outbreak and newly emerging public health threats.

Hawaii Health Systems Corporation

The Administration's request was to add \$31,000,000 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Hawaii Health Systems Corporation's appropriation for fiscal year 2016-2017 by adding \$31,000,000 in general funds.

Your Committee on Conference notes that this measure allocates portions of the general, special, and capital improvement appropriations for the Hawaii Health Systems Corporation's Regions to implement Act 103, Session Laws of Hawaii 2015, for disbursement to the Maui Health System, a Kaiser Foundation Hospitals LLC ("MHSKFH"), if the operations of the Maui Regional System's three hospital facilities are discontinued and the facilities are leased to MHSKFH as authorized by that Act. By the Transfer Agreement dated as of January 14, 2016, MHSKFH requested, and the State of Hawaii agreed to take, reasonable steps to secure legislative appropriations for operating support, including initial working capital, and capital improvement support to complete the implementation of Act 103. The Governor conveyed the State's request for these appropriations to the Legislature by Budget Message #7 dated January 29, 2016. By a letter (which included nineteen attachments) dated April 20, 2016, MHSKFH conveyed its request directly to the President, the Speaker, and the Chairs of your Committee on Conference. Your Committee on Conference subjected MHSKFH's request for funding to the standards and conditions for the receipt of operating and capital support set out in sections 323F-58(b) and 323F-59(c), Hawaii Revised Statutes, and considered the assertions MHSKFH made, and the supporting documents it included in its April 20, 2016 letter. Your Committee on Conference confirms that MHSKFH satisfies all the standards and conditions set out in sections 323F-58(b) and 323F-59(c).

Human Resources Development

The Administration's request was to add \$940,262 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Human Resources Development's appropriation for fiscal year 2016-2017 by adding \$1,193,495 in general funds.

The Conference Draft of the executive budget includes adding \$666,000 in general funds for fiscal year 2016-2017 for workers' compensation claims.

Human Services

The Administration's request was to add \$56,488,864 in general funds and \$80,098,991 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Human Services' appropriation for fiscal year 2016-2017 by adding \$29,331,042 in general funds and adding \$146,526,440 in non-general funds.

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

- (1) Adding \$12,000,000 in general funds for fiscal year 2016-2017 for homeless programs;
- (2) Adding \$3,000,000 in general funds for fiscal year 2016-2017 for Hawaii Public Housing Authority state family and state elderly housing facilities;
- (3) Adding \$10,000,000 in general funds for fiscal year 2016-2017 for Preschool Open Doors; and
- (4) Changing the means of financing for 16.00 positions and \$1,125,584 from federal funds to general funds for rental assistance services housing vouchers.

Labor and Industrial Relations

The Administration's request was to add \$954,876 in general funds and \$2,588,105 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Labor and Industrial Relations' appropriation for fiscal year 2016-2017 by adding \$3,149,546 in general funds and \$2,588,105 in non-general funds.

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

- (1) Adding \$750,000 in general funds to support Workforce Advisory Councils;
- (2) Adding \$572,857 in general funds for the Community Services Block Grant Program;
- (3) Adding 1.00 position and \$25,386 in general funds for enforcement of workers' compensation, temporary disability insurance, and prepaid health care laws; and
- (4) Adding \$5,000 in special funds for human trafficking victim services.

Land and Natural Resources

The Administration's request was to add \$6,686,866 in general funds and \$15,878,876 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Land and Natural Resources' appropriation for fiscal year 2016-2017 by adding \$3,611,824 in general funds and \$9,324,293 in non-general funds.

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

- (1) Adding \$1,500,000 in general funds for a United States Geographical Survey study on Hawaii streams;
- (2) Adding 10.00 positions and \$344,256 in general funds for the operation of harbor facilities six days a week;
- (3) Adding \$400,000 in general funds for the wildfire contingency fund;
- (4) Adding \$250,000 in general funds for endangered species management; and
- (5) Adding \$250,000 in general funds for marine debris removal.

Public Safety

The Administration's request was to add \$6,120,295 in general funds and \$300,000 in non-general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Public Safety's appropriation by reducing \$3,164,155 in general funds for fiscal year 2015-2016 and by adding \$2,768,393 in general funds and \$300,000 in non-general funds for fiscal year 2016-2017.

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

- (1) Adding \$438,560 in general funds for basic utilities costs for the Maui Community Correctional Center;
- (2) Adding \$284,228 in general funds for physician malpractice insurance costs for the Healthcare Division;
- (3) Adding \$50,000 in general funds for motor vehicle fuel and oil for the Sheriff Division; and
- (4) Adding \$869,165 in general funds for lease rent for the Department of Public Safety Administration building and State Narcotics Enforcement Division offices.

Taxation

The Administration's request was to reduce \$528,223 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Taxation's appropriation for fiscal year 2016-2017 by reducing \$1,134,777 in general funds.

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

- (1) Adding 2.00 tax examiner positions and \$40,980 in general funds for the neighbor islands; and
- (2) Transferring 12.00 positions and \$664,668 in general funds from the Director's Office to the Information Technology Services Office for administrative support.

Your Committee on Conference would like to note that the tax examiner positions are not to be used to create an Investigation Branch.

Transportation

The Administration's request was to add \$25,449,794 in special funds and \$3,894,500 in federal funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the Department of Transportation's appropriation for fiscal year 2016-2017 by adding \$1,500,000 in general funds and \$17,793,113 in non-general funds.

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

- (1) Adding \$580,000 in special funds for Hilo International Airport seating replacement;
- (2) Adding \$613,500 in special funds for Lihue Airport routine maintenance contracts;
- (3) Adding \$1,000,000 in special funds for pier and wharf insurance;
- (4) Adding \$1,500,000 in special funds for albizia mitigation on Hawaii Island; and
- (5) Adding \$800,000 in special funds for replacement of Kauai Highways bridge inspection equipment.

University of Hawaii

The Administration's request was to add \$12,368,302 in general funds for fiscal year 2016-2017.

The Conference Draft of the executive budget adjusts the University of Hawaii's appropriation for fiscal year 2016-2017 by adding \$5,287,604 in general funds.

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

- (1) Adding \$3,000,000 in general funds for University of Hawaii Athletics;
- (2) Adding \$1,250,000 in general funds for equipment for community colleges;
- (3) Adding 4.00 positions and \$330,000 in general funds for the College of Tropical Agriculture and Human Resources' Cooperative Extension Service;
- (4) Adding 27.00 positions for the University of Hawaii at Hilo to establish a security and safety patrol force; and
- (5) Adding 6.00 positions and \$357,604 in general funds for the University of Hawaii, West Oahu campus.

Subsidies

The Conference Draft of the executive budget adjusts the subsidies' appropriation for fiscal year 2016-2017 by adding \$2,500,000 in general funds.

The Conference Draft of the executive budget added the \$2,500,000 in general funds to support Wahiawa General Hospital in Private Hospitals and Medical Services (SUB601).

PART III. CAPITAL IMPROVEMENT PROJECTS BUDGET

Your Committee on Conference finds that capital improvement projects play a vital role in rebuilding our economy and strengthening our social infrastructure.

Act 119, Session Laws of Hawaii 2015, provided \$640,617,000 in fiscal year 2015-2016 and \$188,504,000 in fiscal year 2016-2017 for projects funded by general obligation bonds. Your Committee on Conference has reduced funds in fiscal year 2015-2016 for a total appropriation of \$636,767,000 and added funds in fiscal year 2016-2017 for a total appropriation of \$1,159,637,000 for projects funded by general obligation bonds, and provided \$2,517,960 for fiscal biennium 2015-2017 for projects funded by all other means of financing.

Highlights of the capital improvements program budget for the biennium include:

- (1) Water irrigation systems repairs for the Department of Agriculture, totaling \$26,000,000 in general obligation bond funds for fiscal year 2016-2017;
- (2) Government financial system upgrades for the Department of Accounting and General Services, totaling \$15,000,000 in general obligation bond funds for fiscal year 2016-2017, \$10,000,000 for health and safety at Aloha Stadium for fiscal year 2016-2017, and adding \$11,200,000 in general obligation bond funds in fiscal year 2016-2017 for lump sum health and safety, totaling \$23,200,000 for the 2015-2017 fiscal biennium;

- (3) A rental housing revolving fund capital infusion of \$36,600,000 in general obligation bond funds and a dwelling unit revolving fund capital infusion of \$25,000,000 in general obligation bond funds for fiscal year 2016-2017 to expand affordable housing statewide;
- (4) Lump sum condition, capacity, equity, and program support for Department of Education schools, adding \$50,000,000 in general obligation bond funds in fiscal year 2016-2017 for a total of \$295,768,000 for the 2015-2017 fiscal biennium;
- (5) Funding for construction for the Hawaii State Hospital totaling \$160,500,000 in general obligation bond funds in fiscal year 2016-2017;
- (6) Funding to support repair and maintenance for Hawaii public housing, totaling \$35,150,000 in general obligation bond funds for fiscal year 2016-2017;
- (7) Lump sum repair and maintenance for the Department of Public Safety, adding \$64,400,000 in general obligation bond funds in fiscal year 2016-2017 for a total of \$76,900,000 for the 2015-2017 fiscal biennium; and
- (8) Support for repair and maintenance at University of Hawaii campuses, including \$25,000,000 in general obligation bond funds for community colleges and \$48,625,000 in general obligation bond funds for University of Hawaii systemwide support in fiscal year 2016-2017.

Your Committee on Conference has also provided funding for deferred maintenance and health and safety, including appropriations to, among others, the Department of Defense; Department of Hawaiian Home Lands; Department of Land and Natural Resources; and Department of Business, Economic Development, and Tourism.

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 \$2,262,849,000 for fiscal biennium 2015-2017 for the Department of Transportation, including \$469,997,000 for highways statewide.

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. 1700, 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. 1700, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, Dela Cruz, Chun Oakland, English, Galuteria, Harimoto, Inouye, Riviere, Taniguchi, Wakai and Slom.
Managers on the part of the Senate.

Ayes, 9. Noes, none. Excused, 2 (Harimoto, Slom).

Representatives Luke, Cachola, Cullen, DeCoite, Johanson, Jordan, Keohokalole, Kobayashi, LoPresti, Lowen, Nishimoto, Onishi, Tokioka, Yamashita and Pouha.

Managers on the part of the House.

Ayes, 15. Noes, none. Excused, none.

Conf. Com. Rep. 141-16 on H.B. No. 2626

The purpose of this measure is to place restrictions on permits for underground storage tanks.

Specifically, this measure:

- (1) Beginning July 1, 2016, prohibits the Department of Health from issuing a permit for any new underground storage tank within one hundred yards of the shoreline;
- (2) Beginning January 1, 2020, requires the Department of Health to work with and assist owners of permitted underground storage tanks within one hundred yards of the shoreline to relocate or phase out their use of the underground storage tanks by January 1, 2045; and
- (3) Beginning January 1, 2045:
 - (A) Prohibits any person from operating an underground storage tank within one hundred yards of the shoreline; and
 - (B) Prohibits the renewal of any permit for an underground storage tank within one hundred yards of the shoreline.

Your Committee on Conference finds that climate change is real and that rising sea levels threaten the quality of life in Hawaii. Based on this finding, your Committee on Conference believes that the inundation of underground storage tanks poses risks to the aquifer as well as coastal water quality and marine ecosystems. Therefore, the phasing out of underground storage tanks within one hundred yards of the shoreline is in the best interest of the public's health, safety, and welfare.

Your Committee has amended this measure by:

- (1) Removing the requirement that the Department of Health work with and assist owners of permitted underground storage tanks within one hundred yards of the shoreline to relocate or phase out their use of the underground storage tanks by January 1, 2045;
- (2) Specifying that this measure applies to underground fuel storage tanks; and
- (3) Making technical amendments for the purpose 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. 2626, 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. 2626, H.D. 1, S.D. 2, C.D. 1.

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

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

Representatives Lee, Yamane, Rhoads, Luke and Ward.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Rhoads).

Conf. Com. Rep. 142-16 on H.B. No. 2646

The purpose of this measure is to establish a fuel tank advisory committee to study issues related to leaks of certain fuel storage tanks throughout the State.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriation for the fuel tank advisory committee;
- (2) Changing its effective date to July 1, 2016; 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. 2646, 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. 2646, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Wakai, Baker, Inouye and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Lee, Yamane, Lowen, Johanson and Ward.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, none.

Conf. Com. Rep. 143-16 on H.B. No. 2569

The purpose of this measure is to appropriate general funds and the proceeds of general obligation bonds to the Department of Education for air conditioning, heat abatement, energy efficient lighting, and related energy efficiency measures at public schools.

Your Committee on Conference finds that the temperatures in many Hawaii public school classrooms often exceed levels that are optimal for learning and, in certain classrooms, may jeopardize the safety of students and teachers. While your Committee on Conference believes that air conditioning and heat abatement are necessary to improve the learning environment in the State's public schools, your Committee on Conference believes that the State's students and teachers will be best served if the contents of this measure were included in another measure. Your Committee on Conference also believes that this measure can still serve as a vehicle to require the Department of Education to cool Hawaii's public school classrooms, provide students and teachers with a better environment for learning, reduce the Department of Education's energy costs, and achieve progress toward the State's renewable energy goals.

Accordingly, your Committee on Conference has amended this measure by deleting its contents and inserting language from Senate Bill No. 3126, H.D. 2. More specifically, the amended measure requires the Department of Education to:

- (1) Establish a goal of becoming net-zero with respect to energy use by January 1, 2035;
- (2) Expedite the cooling of all public school classrooms; and
- (3) Submit an annual report to the Legislature containing information about its progress toward the net-zero energy goal and the cooling of all public school classrooms.

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. 2569, 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. 2569, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Kidani, Inouye and Tokuda.
Managers on the part of the Senate.
Ayes, 2. Noes, none. Excused, 1 (Inouye).

Representatives Lee, Takumi, Luke, Lowen, Yamashita and Pouha.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, 1 (Yamashita).

Conf. Com. Rep. 144-16 on H.B. No. 2772

The purpose of this measure is to promote a safe environment free from sexual harassment, sexual assault, domestic violence, dating violence, and stalking at the University of Hawaii. More specifically, this measure:

- (1) Requires the University of Hawaii to:
 - (A) Train all employees and students on sexual harassment, sexual assault, domestic violence, dating violence, and stalking laws and policies;
 - (B) Designate a confidential advocate for students at each of its campuses and provide certain contact information of confidential advocates on the website of each respective campus;
 - (C) Make available to students and employees written and electronic materials and training programs concerning Title IX of the Higher Education Amendments of 1972; the Violence Against Women Act of 1994; and University of Hawaii policies concerning sexual harassment, sexual assault, domestic violence, dating violence, and stalking;
 - (D) Inform victims in writing of the right to file a police report with the appropriate county police department for investigation and assist victims in submitting the police report; and
 - (E) Conduct a campus climate survey of all students every two years, beginning no later than December 31, 2016;
- (2) Designates all faculty members as "responsible employees" required to report any violations of University of Hawaii executive policies regarding sexual harassment, sexual assault, domestic violence, dating violence, and stalking to the Title IX Coordinator;
- (3) Requires the confidential advocate to annually provide general statistics to the Title IX Coordinator on the number and type of incidents received by the confidential advocate;
- (4) Provides that any student who reports an incident of sexual assault, including incidents in which the student making the report is under the age of 21 and has consumed alcohol, will not be subject to disciplinary action by the University of Hawaii for acts evidenced by information provided by the student or information obtained based upon information provided by the student;
- (5) Requires the University of Hawaii to revise executive policies that conflict with policies that are the subject of required training and reporting under this measure and to enter into memoranda of understanding with police departments regarding sexual assault; and
- (6) Makes an appropriation in an unspecified amount.

Your Committee on Conference has amended this measure by:

- (1) Modifying the deadline by which all existing University of Hawaii employees must be provided with training on sexual harassment, sexual assault, domestic violence, dating violence, and stalking laws and policies;
- (2) Removing the provision that any student who reports an incident of sexual assault, including incidents in which the student making the report is under the age of 21 and has consumed alcohol, will not be subject to disciplinary action by the University of Hawaii for acts evidenced by information provided by the student or information obtained based upon information provided by the student;
- (3) Requiring all University of Hawaii employees and students to complete required training on sexual harassment, sexual assault, domestic violence, dating violence, and stalking laws and policies, or possibly be subject to fines, sanctions, or other discipline, as deemed appropriate by the University of Hawaii;
- (4) Modifying the deadline by which the University of Hawaii must begin conducting the campus climate survey of all students;
- (5) To ensure compliance with Title IX of the federal Education Amendments of 1972, as amended, and the Violence Against Women Act of 1994, as amended:
 - (A) Appropriating \$250,000 for fiscal year 2016-2017 to the University of Hawaii at Manoa;
 - (B) Appropriating \$160,000 for fiscal year 2016-2017 to the University of Hawaii at Hilo; and
 - (C) Appropriating \$150,000 for fiscal year 2016-2017 to the University of Hawaii Community Colleges;
- (6) Changing its effective date to July 1, 2016; and
- (7) 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. 2772, 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. 2772, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Taniguchi, Keith-Agaran, Tokuda and Slom.

Managers on the part of the Senate.

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

Representatives Ichiyama, Rhoads, Nishimoto, Choy and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 145-16 on H.B. No. 2363

The purpose of this measure is to amend Hawaii's laws on workers' compensation (WC) and temporary disability insurance (TDI) to:

- (1) Exclude the following from providing TDI coverage for services they provide for themselves: sole proprietors, an individual partner of a partnership, a partner of a limited liability partnership with an interest of at least 50 percent, an individual member of a limited liability company with a distributional interest of at least 50 percent, or individual owning at least 50 percent of a corporation;
- (2) Allow the Director of Labor and Industrial Relations to receive electronic copies of injury and other reports;
- (3) Increase the penalty for employers who do not have TDI coverage for employees from not less than \$25 or \$1 per employee per day, to not less than \$500 or \$100 per employee per day;
- (4) Increase the penalty from not more than \$2,500 to not more than \$5,000 against an employer or insurance carrier for failure to make correct or timely benefit payments or to terminate such benefits without approval or statutory cause;
- (5) Increase the maximum penalty for a physician's failure to file medical reports from \$250 to \$500, and for an employer's failure to provide copies of requested medical reports from \$1,000 to \$5,000;
- (6) Increase the penalty for employers who do not have WC coverage for employees from not less than \$250 or \$10 per employee per day, to not less than \$500 or \$100 per employee per day; and
- (7) Increase the penalty from not more than \$2,500 to \$5,000 against an employer for the deduction of premium payments from an employee's wages in violation of chapter 386, Hawaii Revised Statutes.

Your Committee on Conference has amended this measure by changing its 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 H.B. No. 2363, 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. 2363, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Baker, Taniguchi and Kahele.

Managers on the part of the Senate.

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

Representatives Nakashima, McKelvey, Keohokalole, Aquino and Fukumoto Chang.

Managers on the part of the House.

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

Conf. Com. Rep. 146-16 on H.B. No. 1046

The purpose of this measure is to provide compensation and expungement of conviction to persons who can demonstrate they were wrongfully convicted and imprisoned when actually innocent.

Your Committee on Conference finds that this measure will help wrongfully convicted persons by providing compensation and expungement of conviction to persons who can demonstrate that they were wrongfully convicted and imprisoned when actually innocent. Your Committee on Conference notes that the language in this measure is substantially similar to the draft legislation proposed by the Hawaii Chapter of the American Judicature Society Special Committee on Redress for Unlawful Imprisonment. The Special Committee reviewed statutes from other states and proposed language that balances the interests of an allegedly wrongfully imprisoned petitioner with the State's limited resources.

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. These persons face distinct challenges upon re-entering society and have difficulty achieving legal redress due to a variety of substantive and technical obstacles in the law. Your Committee on Conference finds that these individuals deserve a process of redress over and above the existing tort remedies to seek compensation for damages from the jurisdiction that wrongly convicted and imprisoned them.

Your Committee on Conference has amended this 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. 1046, 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. 1046, H.D. 2, S.D. 2, 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 Rhoads, Cullen, San Buenaventura and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 147-16 on H.B. No. 1902

The purpose of this measure is to establish a victim and survivor-centered approach to comprehensive anti-sex trafficking laws by:

- (1) Replacing the offense of Promoting Prostitution in the First Degree with Sex Trafficking, a class A felony and violent crime;
- (2) Establishing a class C felony for the act of paying for sex in reckless disregard of the fact that the other person is a victim of sex trafficking;
- (3) Specifying that the offense of Sex Trafficking requires proof of negligence with respect to the victim's age when the victim of sex trafficking is under 18 years of age;
- (4) Specifying that when a minor under the age of 18 commits the act of engaging in or offering to engage in sexual conduct with another person for a fee, it is not a criminal offense, but rather a violation that subjects the minor to the jurisdiction of the family court;
- (5) Making amendments to strengthen the enforcement of laws and increase penalties against the sex trafficker;
- (6) Expanding the Department of the Attorney General's Statewide Witness Program to include sex trafficking;
- (7) Providing victims with access to criminal injury compensation; and
- (8) Amending laws relating to civil liability for cases of coercion into prostitution.

Your Committee on Conference has amended this measure by specifying that a minor may be taken into custody by a police officer without an order of a judge when there is reasonable grounds to believe that the minor received a fee to engage in prostitution.

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. 1902, 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. 1902, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Gabbard and Shimabukuro.

Managers on the part of the Senate.

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

Representatives Rhoads, Nishimoto, Belatti, San Buenaventura and Matsumoto.

Managers on the part of the House.

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

Conf. Com. Rep. 148-16 on H.B. No. 2156

The purpose of this measure is to reform the campaign finance laws relating to the use of campaign funds and the financing of the Campaign Spending Commission's operations. Specifically, the measure:

- (1) Increases the options available to candidate committees and noncandidate committees in their use and disposition of campaign funds;
- (2) Repeals the use of the Hawaii election campaign fund for the operating expenses of the Campaign Spending Commission; and
- (3) Appropriates general funds to the Campaign Spending Commission for operating expenses.

Your Committee on Conference has amended this measure by:

- (1) Deleting the amendment that allowed a candidate, treasurer, or candidate committee to make donations from campaign funds to private schools;
- (2) Deleting the provisions that allowed a deceased candidate's committee to use campaign funds to make donations to certain types of organizations, return the residual funds to the contributors, or both;
- (3) Deleting the amendment that would have repealed the use of Hawaii election campaign funds for Campaign Spending Commission operating expenses;
- (4) Deleting the appropriation for the Campaign Spending Commission's operating expenses; and
- (5) Making 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. 2156, 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. 2156, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda, Dela Cruz, Kahele and Kim.

Managers on the part of the Senate.

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

Representatives Rhoads, Nishimoto, Kawakami and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 149-16 on H.B. No. 260

The purpose of this measure is to close insurance gaps associated with transportation network companies by establishing motor vehicle insurance requirements for transportation network companies and transportation network company drivers.

Your Committee on Conference has amended this measure by:

- (1) Specifying that solely for the purposes of the required motor vehicle insurance, neither a transportation network company nor a transportation network company driver shall be deemed to be a common carrier by motor vehicle, a contract carrier by motor vehicle, a motor carrier as defined in section 271-4, Hawaii Revised Statutes, a taxicab, or a for-hire vehicle service;
- (2) Clarifying the motor vehicle insurance requirements for a transportation network company driver or transportation network company on the transportation network company driver's behalf, including:
 - (A) Specifying that the insurance requirements contained in this measure shall take effect on September 1, 2016;
 - (B) Specifying that any named insured may accept or reject the optional coverages required to be offered by insurers pursuant to this measure;
 - (C) Adding additional disclosure requirements that the insurer or transportation network company must disclose to a driver where the transportation network company is the only named insured under the motor vehicle insurance policy;
 - (D) Clarifying that passengers and pedestrians continue to be entitled to their own motor vehicle insurance benefits, subject to the limitations in the transportation network company driver's or the vehicle owner's personal motor vehicle policy;
 - (E) Clarifying the records requirements for transportation network companies;
- (3) Requiring the Insurance Commissioner to conduct an annual study on the impact of this measure on personal motor vehicle insurance rates in the State and submit a report to the Legislature prior to the convening of the Regular Sessions of 2017, 2018, 2019, 2020, and 2021;
- (4) Specifying that this measure shall take effect upon its approval and be repealed on September 1, 2021; 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. 260, 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. 260, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Tokuda, Espero and Kidani.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Kidani).

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

Conf. Com. Rep. 150-16 on S.B. No. 3102

The purpose of this measure is to:

- (1) Authorize the Department of Business, Economic Development, and Tourism to develop, and any state agency to enter into, and implement inter-agency agreements without entering into a memorandum of agreement or memorandum of understanding;
- (2) Establish the high-growth grant program and high-growth grant special fund to assist qualified businesses through the provision of grants for specific business development purposes; and
- (3) Appropriate funds to be deposited into and appropriated out of the high-growth grant special fund for the high-growth grant program.

Your Committee on Conference finds that duplicate agency programs result in an ineffective use of resources. Inter-agency agreements provide agencies with an opportunity to coordinate resources and eliminate unnecessary duplication without having to enter into a memorandum of agreement or memorandum of understanding. Implementation of this measure will streamline and expedite agreements between state agencies.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the high-grant program may not provide grants to qualified businesses greater than thirty percent of the amount that is privately invested in a business; provided that the program provides no more than \$250,000 to any qualified business in one calendar year, rather than forty percent of the amount that is privately invested and an annual limit of \$400,000;
- (2) Inserting an appropriation amount of \$1,000,000 to be deposited into and appropriated out of the high-growth grant special fund for the high-growth grant program; and
- (3) 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. 3102, 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. 3102, S.D. 1, H.D. 1, C.D. 1.

Signed by the Speaker of the House of Representatives and Chairs on behalf of the Committee.

Senators Kim, Keith-Agaran, Tokuda and Dela Cruz.

Managers on the part of the Senate.

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

Representatives Kawakami, Yamashita, Kong and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 151-16 on S.B. No. 2833

The purpose of this measure is to amend the calculation of the low-income housing tax credit, including the applicable period over which the credit may be claimed from ten to five years and the establishment of different credit amounts for buildings financed by tax-exempt bonds, for the purpose of increasing available funding for affordable rental housing development.

Your Committee on Conference finds that the development of low-income affordable housing is necessary to address the issue of homelessness and respond to the critical shortage of housing inventory in the community. Increasing the investment attractiveness of state low-income housing tax credits would generate more equity to finance the development of affordable rental housing projects.

Your Committee on Conference has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2833, as introduced, which makes the state low-income housing tax credits more valuable by reducing the state tax credit period from ten to five years and specifying the amount of low-income housing tax credits that may be claimed by a taxpayer for any qualified low-income building that receives an allocation prior to January 1, 2017, and after December 31, 2016; and
- (2) Inserting a sunset date of December 31, 2021.

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. 2833, 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. 2833, S.D. 2, H.D. 2, C.D. 1.

Signed by the Senate President, Speaker of the House of Representatives, and Chairs on behalf of the Committee.

Senators Galuteria, Harimoto and Dela Cruz.

Managers on the part of the Senate.

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

Representatives Hashem, Jordan, Oshiro and McDermott.

Managers on the part of the House.

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

Conf. Com. Rep. 152-16 on S.B. No. 2384

The purpose of this measure is to require the Department of Health to conduct unannounced visits and inspections, including inspections for relicensing and recertification, for certain state-licensed or state-certified care facilities and unannounced inspections for license renewals for medical marijuana dispensaries.

Your Committee on Conference finds that the Department of Health (Department) is responsible for licensing, certifying, and monitoring several types of facilities, including care facilities and medical marijuana production centers and dispensaries, to ensure a standard of quality. This measure requires the Department to conduct unannounced visits and inspections for state-licensed care facilities and medical marijuana production centers and dispensaries. The Department prefers that relicensing or recertification surveys be unannounced in order to maximize the effectiveness of these visits and inspections for care facilities, production centers, and dispensaries, and to ensure improved safeguards for the public.

Your Committee on Conference further finds that it would be beneficial to have a better understanding of the number of visits and inspections conducted by the Department on certain state-licensed or state-certified care facilities, prior to implementing the unannounced visit and inspection requirements for these facilities.

Accordingly, your Committee on Conference has amended this measure by:

- (1) Requiring the Department to submit reports to the Legislature, no later than twenty days prior to the convening of the Regular Sessions of 2017, 2018, and 2019, regarding:
 - (A) The annual aggregate numbers of announced and unannounced visits conducted by the Department on state-licensed or state-certified care facilities;
 - (B) The annual aggregate numbers of unannounced inspections conducted by the Department on state-licensed or state-certified care facilities as follow-up visits, visits to confirm corrections or deficiencies, or visits to investigate complaints or suspicions of abuse or neglect; and
 - (C) The general outcomes and corrective actions taken by the Department as a result of the visits and investigations;
- (2) Changing its effective date to July 1, 2016, and specifying that the provisions in this measure that apply to unannounced visits and inspections of state-licensed or state-certified care facilities shall take effect on July 1, 2019; 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. 2384, 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. 2384, S.D. 1, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Belatti, Rhoads, Nishimoto, Cachola, McKelvey and Pouha.
Managers on the part of the House.
Ayes, 5. Noes, none. Excused, 1 (McKelvey).

Conf. Com. Rep. 153-16 on S.B. No. 2888

The purpose of this measure is to decrease the time defendants spend in state custody waiting for forensic mental health examinations and to shorten the time to reach a ruling on fitness to proceed and penal responsibility by:

- (1) Separating examination for fitness to proceed of a defendant with respect to physical or mental disease, disorder, or defect, from examination for penal responsibility of the defendant with respect to physical or mental disease, disorder, or defect, with certain exceptions, in criminal prosecutions where the defendant's capacity is at issue; and
- (2) Specifying procedures after a finding of unfitness to proceed and regained fitness to proceed.

Your Committee on Conference finds that under section 704-404, Hawaii Revised Statutes, when a defendant's fitness to proceed comes into question, the criminal proceedings are stopped, and the court must order a physical or mental examination of the defendant to determine the defendant's fitness to proceed and whether the defendant was penally responsible for the alleged crime. It is in the best interest of the defendants for the examination process to proceed in a timely, expedient manner by separating the fitness to stand trial and the penal responsibility components of examinations and codifying procedures for appointing examiners for reevaluation of fitness.

Your Committee on Conference has amended this measure by:

- (1) Deleting redundant language related to excluding the time of completion of an examination from counting toward the time for trial commencement;
- (2) Specifying that the court may order an examination for penal responsibility to occur no sooner than one hundred twenty days, rather than within thirty days, of a finding of unfit to proceed under section 704-404, Hawaii Revised Statutes, upon a showing of good cause; 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. 2888, 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. 2888, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran and Tokuda.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

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

Conf. Com. Rep. 154-16 on S.B. No. 2915

The purpose of this measure is to update the Uniform Controlled Substances Act for consistency with amendments in federal law, as required by section 329-11, Hawaii Revised Statutes.

Your Committee on Conference finds that drug scheduling in Hawaii is generally kept in accordance with federal standards. Federal standards change as new chemical compounds are developed and cataloged by law enforcement. Additionally, Hawaii has unique needs stemming from state initiatives and programs such as the electronic prescription accountability system and the medical marijuana program. Developments on the federal and state level require an update to the drug scheduling statutes in Hawaii.

Your Committee on Conference has amended this measure by:

- (1) Adding a Code of Federal Regulations reference that relates to controlled substance registration to the definition of "reverse distributor" in section 329-1, Hawaii Revised Statutes;
- (2) Reinstating a provision in section 329-33(c), Hawaii Revised Statutes, that allows federally registered practitioners to conduct research with schedule I substances within this State upon furnishing evidence of registration;
- (3) Adding exceptions to the prohibition on the prescription or dispensing of a schedule II narcotic controlled substance for more than thirty days under certain circumstances;
- (4) Deleting language that would have required administrative fines collected for violations of chapter 329, Hawaii Revised Statutes, to be deposited into the controlled substance registration revolving fund rather than the general fund;

- (5) Deleting language that would have repealed section 329-31.5, Hawaii Revised Statutes, which requires qualifying clinics to register under chapter 329, Hawaii Revised Statutes;
- (6) Changing the effective date to July 1, 2016; 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. 2915, 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. 2915, S.D. 2, H.D. 1, C.D. 1.

Signed by the Speaker of the House of Representatives and Chairs on behalf of the Committee.

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

Managers on the part of the Senate.

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

Representatives Belatti, Rhoads, Tokioka, Hashem and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 155-16 on S.B. No. 2196

The purpose of this measure is to:

- (1) Promote law enforcement transparency and accountability by establishing a Law Enforcement Officer Independent Review Board (Board) within the Department of the Attorney General to review criminal investigations of incidents of officer-involved death conducted by law enforcement agencies and make recommendations to the respective county prosecuting attorney; and
- (2) Appropriate funds to establish the Board and for Board-related expenses.

Your Committee on Conference finds that this measure will promote greater transparency of law enforcement operations and more accountability for law enforcement actions taken by law enforcement officers. The establishment of an independent review board will provide an additional layer of independent review of those law enforcement actions.

Your Committee on Conference has amended this measure by:

- (1) Adding two community members with no law enforcement or criminal justice experience to the Board, one of whom to be appointed by the Governor and the other by the Attorney General;
- (2) Clarifying that the confidentiality protections for information submitted by a law enforcement agency to the Board for review shall not extend to records, documents, or information in the possession of another government agency;
- (3) Inserting language to require the Board to review its activities pursuant to this measure and submit a report to the Legislature of its findings and recommendations prior to the Regular Session of 2022;
- (4) Inserting an appropriation amount of \$100,000 in general revenues for the Board and Board-related expenses;
- (5) Deleting the appropriation from the criminal forfeiture fund;
- (6) Changing the effective date to July 1, 2017, with the appropriation effective on July 1, 2016;
- (7) Inserting a sunset date of June 30, 2022; 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. 2196, 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. 2196, S.D. 2, H.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Managers on the part of the Senate.

Ayes, 3. Noes, none. Excused, 2 (Keith-Agaran, Slom).

Representatives Rhoads, Keohokalole, San Buenaventura and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 156-16 on S.B. No. 2618

The purpose of this measure is to require the Department of Transportation to conduct a study on the feasibility of establishing an interisland and intra-island ferry system and to make an appropriation for expenses accordingly.

Your Committee on Conference finds as the only island state in the nation, Hawaii does not enjoy the benefit of being linked to other states via the federal interstate highway system or a network of interconnected state and local highways. This presents unique challenges for residents and visitors alike who may wish to travel between the islands of the State since air transportation, which can be costly, is currently the only available means of travel between the islands. While other states, such as the State of Washington, use ferry systems as a transportation alternative, Hawaii has no such system in place. Your Committee finds that an interisland ferry

system can serve as an efficient alternative for transporting passengers, cargo, farm produce, and motor vehicles between islands and that the feasibility of establishing such a system should be explored.

Your Committee on Conference has amended this measure by:

- (1) Requiring the Department of Transportation to report to the Legislature before the convening of the 2018 Regular Session rather than the 2017 Regular Session;
- (2) Inserting an appropriation of \$50,000 for the Department of Transportation's study; and
- (3) 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. 2618, 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. 2618, S.D. 1, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, English and Kidani.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Aquino, LoPresti, Yamashita and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Pouha).

Conf. Com. Rep. 157-16 on S.B. No. 2131

The purpose of this measure is to:

- (1) Establish a state fuel license tax of two cents for each gallon of naphtha sold for use in a power-generating facility;
- (2) Require deposits into the high technology special fund of monies from appropriations or other funds that are required by law to be deposited into the fund;
- (3) Authorize the Director of Finance to issue general obligation bonds in an unspecified sum for the development of an electrolysis process hydrogen production, storage, and dispensing facility;
- (4) Appropriate general funds for deposit into the high technology special fund; provided that the total amount of monies in the fund shall not exceed \$4,800,000 at the end of fiscal year 2016-2017;
- (5) Appropriate funds out of the high technology special fund for operating costs for an electrolysis process hydrogen production, storage, and dispensing facility; provided that matching funds on a dollar-for-dollar basis are provided by private enterprise; and
- (6) Require the High Technology Development Corporation to adopt administrative rules to enable the establishment, collection, and deposit into the high technology special fund of fees imposed on the sale of hydrogen made commercially available at facilities that are funded in whole or in part by this measure.

Your Committee on Conference finds that in 2007, the Legislature enacted a fuel license tax on naphtha fuels sold to a power generating facility. Prior to its repeal, the tax was set at two cents per gallon. However the tax was repealed on December 31, 2015. This measure restores the fuel license tax of two cents per gallon for naphtha fuels sold to a power generating facility.

This measure also requires that any appropriations or other funds required by law to be deposited into the high technology special fund be deposited into the fund. Your Committee on Conference finds that such deposits are standard procedure for special funds.

Your Committee on Conference has amended this measure by:

- (1) Deleting the appropriations and general obligation bond authorizations;
- (2) Deleting the requirement for administrative rules;
- (3) Changing the effective date to 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. 2131, 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. 2131, S.D. 2, H.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Tokuda, Nishihara and Slom.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, 1 (Slom).

Representatives Lee, Luke, Yamashita and Pouha.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Yamashita).

Conf. Com. Rep. 158-16 on H.B. No. 1753

The purpose of this measure is to improve public safety by strengthening regulations regarding mopeds. Among other things, this measure:

- (1) Requires the issuance of a moped number plate and tag or emblem upon payment of fees;
- (2) Prohibits the unauthorized transfer of current number plates, tags, and emblems for mopeds;
- (3) Requires an owner of a moped to affix the number plates and tag or emblem to the owner's moped;
- (4) Prohibits a person from operating a moped that is not in good working order on any highway;
- (5) Extends to mopeds certain police powers regarding the inspection of vehicles believed to be unsafe or without required equipment;
- (6) Prohibits a person from operating or parking any moped on a public highway, without a current official certificate of inspection; and
- (7) Subjects mopeds to annual certificate of inspection requirements.

Mopeds provide a cheaper alternative mode of transportation to driving a motor vehicle, and moped use continues to grow in popularity. According to the City and County of Honolulu, the number of registered mopeds in Honolulu increased every year between 2006 and 2012. With the increase in the use of mopeds, traffic safety concerns grow regarding this type of vehicle. Your Committee on Conference finds that public safety on Hawaii's roadways is paramount and that establishing safety inspections and registration requirements for mopeds, as well as the issuance and use of number plates for mopeds, thereby increasing roadway safety in Hawaii.

Your Committee on Conference has amended this measure by:

- (1) Making the requirements for registration and the issuance of a moped number plate and tag or emblem to chapter 249 (County Vehicular Taxes), Hawaii Revised Statutes (HRS), as this Chapter is more appropriate and already includes provisions regarding mopeds and moped fees;
- (2) Making numerous conforming amendments to various sections of chapter 249, HRS, to address the newly established moped number plate and tag or emblem requirements and fees;
- (3) Stipulating that the registration of mopeds shall occur on a staggered basis as agreed upon by the counties' director of finance;
- (4) Establishing the registration fee for mopeds at \$27;
- (5) Increasing the penalty for seizure of a bicycle or moped due to liability for the payment of required fees or the lack of a license plate, emblem, tag, or decal affixed as required by law from \$1 to \$25;
- (6) Allowing the director of finance of a county to establish the fee for a duplicate moped license plate;
- (7) Clarifying that mopeds are exempt from producing and displaying a motor vehicle insurance card for the purposes of annual inspection requirements;
- (8) Changing its effective date to January 1, 2017;
- (9) Specifying that the staggering of the registration and issuance of license plates for current permanent registered mopeds be completed by December 31, 2017: and
- (10) 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. 1753, 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. 1753, H.D. 3, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Nishihara, English and Slom.

Managers on the part of the Senate.

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

Representatives Aquino, McKelvey, Rhoads, Cullen and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 159-16 on H.B. No. 2049

The purpose of this measure is to address responsibility for the repair and maintenance of privately owned highways. Among other things, this measure:

- (1) Exempts the State and counties that condemn a privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail from laws or rules that would require construction, reconstruction, preservation, resurfacing, restoration, or rehabilitation upon it for an unspecified number of years;

- (2) Exempts highways, roads, alleys, streets, ways, lanes, bikeways, bridges, or trails constructed and completed in accordance with construction code requirements in effect at the time of construction and completion from meeting construction standards in place at the time of transfer to the county;
- (3) Establishes a Commission on Remnant Private Roads to identify all roads by street address and tax map key number located in the State and in each county that are deemed to be remnant private roads;
- (4) Authorizes the Commission on Remnant Private Roads to assign ownership of identified remnant private roads to the State or county and requires the Commission to report to the Legislature prior to the convening of the Regular Session of 2018 identifying the remnant private roads; and
- (5) Appropriates unspecified funds for the Commission on Remnant Private Roads to identify all roads by street address and tax map key number located in the State and in each county that are deemed to be remnant private roads.

While federal, state, and county agencies maintain jurisdiction over, and are responsible for, the repair and maintenance of the majority of roads throughout Hawaii, there are numerous roads throughout the State that are privately owned. A number of these roads are termed remnant roads, or roads that abut or are sandwiched between sections of county-owned roads, that should have been dedicated to the county by developers, but were not for unknown reasons. Over the decades, these roads have remained open to the public with unrestricted access, including access for cars, buses, and refuse trucks. However, questions still remain as to who is responsible for the repair and maintenance of such roads.

After deliberating on this measure, your Committee on Conference finds that this measure, as amended, offers solutions that are acceptable to all concerned parties.

Your Committee on Conference has amended this measure by:

- (1) Renaming the Commission on Remnant Private Roads as the Roads Commission;
- (2) Changing the composition of, as well as the number of members on, the Roads Commission;
- (3) Providing procedures for the filling of vacancies on the Roads Commission and the election of a chair and vice chair of the Roads Commission;
- (4) Establishing quorum requirements of the Roads Commission;
- (5) Stipulating that Roads Commission members serve without compensation but may be reimbursed for certain necessary expenses;
- (6) Changing and limiting the scope of the work of the Roads Commission to include, among other things: review studies on disputes regarding private roads, provide an opinion on the ownership of certain private roads, advise the appropriate legislative body of the determination of ownership of the private roads, and recommend of action to the appropriate legislative body regarding the private road, including the initiation of condemnation proceedings as appropriate;
- (7) Clarifying the powers and duties of the Roads Commission;
- (8) Stipulating that members of the Roads Commission shall not be subject to the Ethics Code solely because of the members participation on the Roads Commission;
- (9) Expanding the State and counties' authority to condemn highways, roads, alleys, streets, ways, lanes, bikeways, bridges, or trails;
- (10) Allowing any private owner of a highway, road, alley, street, way, lane, bikeway, bridge, or trail to petition the Mayor of the county in which the highway, road, alley, street, way, lane, bikeway, bridge, or county trail is located to initiate condemnation proceedings if certain conditions are met;
- (11) Exempting the State and counties from requirements to maintain or improve highways, roads, alleys, streets, ways, lanes, bikeways, bridges, or trails taken by condemnation for a period of three years;
- (12) Clarifying that highways, roads, alleys, streets, ways, lanes, bikeways, bridges, or trails constructed and completed in accordance with the requirements of any ordinance, rule, or regulation in effect at the time of construction and completion are exempt from meeting construction standards in place at the time of condemnation by the State or county, rather than at the time of transfer;
- (13) Appropriating \$2,000,000 for positions and other operating expenditures of the Roads Commission and for road repair work, including resurfacing, flood mitigation, and installation of drainage infrastructure for certain specific roads, provided that certain stipulations of acceptance of ownership by the City and County of Honolulu are met;
- (14) Inserting a severability clause;
- (15) Changing its effective date to July 1, 2016; and
- (16) 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. 2049, 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. 2049, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Inouye, Nishihara, Keith-Agaran, Tokuda and Slom.

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

Representatives Aquino, Rhoads, LoPresti and Tupola.
Managers on the part of the House.
Ayes, 3. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 160-16 on H.B. No. 1752

The purpose of this measure is to appropriate funds for a grant administrative support personnel position in the Office of Community Services of the Department of Labor and Industrial Relations.

Your Committee on Conference has amended this measure by:

- (1) Specifying that the appropriation is for two full-time equivalent grant administrative support personnel positions, rather than a single position;
- (2) Appropriating the sum of \$110,000 for the purposes of funding the specified positions; and
- (3) Changing its 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 H.B. No. 1752, 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. 1752, H.D. 1, S.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, Cullen, DeCoite and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 161-16 on H.B. No. 2016

The purpose of this measure is to require that public retiree contributions to the Employer-Union Health Benefits Trust Fund (EUTF) be paid through withholding of retirement benefit amounts from the Employees' Retirement System (ERS); provided that beginning January 1, 2017, the EUTF shall authorize automatic electronic payments in lieu of withholdings.

Your Committee on Conference has amended this measure by:

- (1) Deleting all references to section 87A-33.5, Hawaii Revised Statutes, concerning reimbursements made by the EUTF to retirees who relocated outside of Hawaii;
- (2) Requiring the EUTF Board of Trustees to submit a report to the Legislature by January 15, 2017, on the status of the automatic electronic deductions instead of requiring an annual report;
- (3) Deleting the provision allowing a retiree or beneficiary to make a final and irrevocable one-time election to opt-out of the withholding requirement;
- (4) Changing the effective date from July 1, 2076 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. 2016, 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. 2016, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

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

Conf. Com. Rep. 162-16 on H.B. No. 2722

The purpose of this measure is to address unemployment insurance benefits.

More specifically, this measure:

- (1) Creates a temporary program, in counties with a population of less than 200,000, to provide additional benefits to unemployed individuals by extending their unemployment insurance benefits under certain conditions, including enrollment by the unemployed individual in an approved training or retraining course; and
- (2) Appropriates funds to the Department of Labor and Industrial Relations to implement the measure.

Your Committee on Conference has amended this measure by:

- (1) Clarifying that the program is limited to Maui County;
- (2) Adding a definition for "base period";
- (3) Clarifying that the benefit year for the most recent initial claim filed by an individual begins on or after March 1, 2015;
- (4) Clarifying the requirements for an individual to be eligible to receive a payment of state additional benefits with respect to a week of unemployment in accordance with this measure;
- (5) Clarifying that state additional benefits paid to an individual be consistent with employment security law concerning charges and noncharges for benefits;
- (6) Changing the appropriation amount from an unspecified amount to \$650,000;
- (7) Changing the effective date from July 1, 2050 to upon its approval;
- (8) Changing the repeal date from an unspecified date to October 28, 2017; and
- (9) 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. 2722, 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. 2722, H.D. 1, S.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, Keohokalole, Yamashita and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 163-16 on H.B. No. 2605

The purpose of this measure is to appropriate funds to establish, administer, and support job training and supportive services for individuals who are unemployed and dislocated due to the closure of Hawaiian Commercial & Sugar Company and the Makena Beach and Golf Resort on Maui.

Your Committee on Conference has amended this measure by:

- (1) Changing the appropriation from an unspecified amount to \$850,000;
- (2) Changing the effective date from January 7, 2059 to July 1, 2016; and
- (3) 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. 2605, 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. 2605, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Kahele.

Managers on the part of the Senate.

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

Representatives Nakashima, Keohokalole, Yamashita and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 164-16 on H.B. No. 2008

The purpose of this measure is to ensure compliance with state public employment requirements by prohibiting state departments and agencies from temporarily employing the same person in the same position for more than two 89-day terms. This measure provides exemptions for:

- (1) Employment of the same person in the same position for eight 89-day terms within a consecutive 24-month period, subject to approval of the Governor;
- (2) Positions that are temporarily vacant due to specified circumstances; and
- (3) The counties.

Your Committee on Conference has amended this measure by clarifying that the prohibition on serial temporary employment applies to positions that are wholly funded by state general funds.

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. 2008, 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. 2008, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Kim, Tokuda, Kahele and Slom.
Managers on the part of the Senate.
Ayes, 4. Noes, none. Excused, 1 (Slom).

Representatives Nakashima, Luke, Ichiyama and Ward.
Managers on the part of the House.
Ayes, 3; Ayes with Reservations (Ward). Noes, none. Excused, 1 (Ichiyama).

Conf. Com. Rep. 165-16 on H.B. No. 2715

The purpose of this measure is to require the Department of Labor and Industrial Relations to contract with an experienced actuarial firm to perform a study on closed claims in the State's workers' compensation system.

Your Committee on Conference amended this measure by:

- (1) Requiring the Auditor, rather than the Department of Labor and Industrial Relations, to contract with an experienced actuarial firm to perform the study;
- (2) Requiring the Auditor, prior to contracting with the actuarial firm, to consult and confer with two members of the Legislature, who are selected by the Speaker of the House of Representatives and the President of the Senate, respectively, and who shall ensure that the firm selected and the parameters of the study are not biased toward the various stakeholders;
- (3) Inserting an appropriation amount of \$150,000 for the Auditor to contract with the actuarial firm to be matched by assessments from insurers and self-insureds;
- (4) Changing the effective date 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. 2715, 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. 2715, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Galuteria and Kahele.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, McKelvey, Keohokalole, Aquino and Tupola.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, 1 (Tupola).

Conf. Com. Rep. 166-16 on H.B. No. 1370

The purpose of this measure is to allow the Employees' Retirement System (ERS) to make direct payments of a member or retirant's benefits to the member or retirant's spouse or former spouse pursuant to a Hawaii domestic relations order.

Your Committee on Conference amended this measure by:

- (1) Changing the effective date to July 1, 2018; and
- (2) Removing the appropriation to the Employees' Retirement System.

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. 1370, 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. 1370, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Taniguchi and Kahele.
Managers on the part of the Senate.
Ayes, 3. Noes, none. Excused, none.

Representatives Nakashima, San Buenaventura, Keohokalole and Matsumoto.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 167-16 on H.B. No. 2353

The purpose of this measure is to exempt certain positions from civil service requirements. Specifically, this measure:

- (1) Restores one additional civil service-exempt deputy director position in charge of welfare for the Department of Human Services;

- (2) Authorizes the Department of Health to establish 18 forensic psychologist positions and two Hawaii State Hospital primary care physician positions, which shall be civil service-exempt for three years; and
- (3) Provides three-year civil service exemptions for various positions in the Department of Human Services, Department of Public Safety, Department of Health, Department of Labor and Industrial Relations, and the State Energy Office.

Your Committee on Conference amended this measure by:

- (1) Removing the second civil service-exempt deputy director position in charge of welfare for the Department of Human Services;
- (2) Removing the three-year civil service exemption for the various positions within the Department of Labor and Industrial Relations;
- (3) Making all energy program managers, energy program specialists, energy program assistants, and energy analysts in the State Energy Office permanently exempt rather than temporarily exempt from civil service requirements; and
- (4) Changing its 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 H.B. No. 2353, 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. 2353, H.D. 2, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Tokuda and Kahele.

Managers on the part of the Senate.

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

Representatives Nakashima, Luke, Aquino and Tupola.

Managers on the part of the House.

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

Conf. Com. Rep. 168-16 on H.B. No. 2009

The purpose of this measure is to require the Hoisting Machine Operators Advisory Board (Board) to submit a comprehensive report to the Legislature on regulatory requirements, certification procedures, and fees relating to hoisting machine operators.

Your Committee on Conference amended this measure by:

- (1) Repealing the executive director position of the Board;
- (2) Allowing for the Board to employ a 0.5 full-time equivalent office assistant;
- (3) Amending the Hoisting Machine Operators' Certification Revolving Fund to be used to include the hiring of consultants as necessary;
- (4) Making it effective 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. 2009, 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. 2009, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Keith-Agaran, Taniguchi, Kahele and Kim.

Managers on the part of the Senate.

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

Representatives Nakashima, Keohokalole, Aquino and Tupola.

Managers on the part of the House.

Ayes, 3; Ayes with Reservations (Tupola). Noes, none. Excused, 1 (Aquino).

Conf. Com. Rep. 169-16 on H.B. No. 1527

The purpose of this measure is to require the Department of Taxation to evaluate and make recommendations regarding the repeal of certain enumerated tax credits and tax exemptions and to report to the Legislature before the Regular Session of 2018. This measure also requires, beginning on July 1, 2018 and every five years thereafter, the Department to evaluate and make recommendations regarding new tax credits and exemptions.

Your Committee on Conference has amended this measure by:

- (1) Requiring review of enumerated, existing credits, exclusions, and deductions under state income and financial institutions taxes rather than newly enacted tax credits and exemptions;
- (2) Establishing new evaluation guidelines for the review, including determinations of tax expenditure costs over previous fiscal years, whether or not the objectives of each tax credit, exclusion, or deduction have been met and will continue to be met, and the effects of each tax credit, exclusion, or deduction on tax equity and the low-income residents of the State;

- (3) Specifying that the evaluations shall begin in 2019 and setting a schedule for evaluation of specified credits pursuant to a five-year cycle;
- (4) Specifying that the Office of the Auditor, rather than the Department of Taxation, shall perform the review;
- (5) Amending the list of specific tax credits, exclusions, or deductions to be reviewed and the years in which the review of certain credits, exclusions, or deductions is set to begin;
- (6) Removing funding provisions for the review;
- (7) Changing its effective date to July 1, 2018; and
- (8) 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. 1527, 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. 1527, H.D. 1, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Tokuda, English and Wakai.

Managers on the part of the Senate.

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

Representatives Jordan, Kobayashi, LoPresti and Ward.

Managers on the part of the House.

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

Conf. Com. Rep. 170-16 on H.B. No. 1850

The purpose of this measure is to establish a framework allowing transient accommodations brokers to register as tax collection agents for the collection and remittance of general excise and transient accommodations taxes owed by transient accommodations operators and plan managers using the broker's services.

Your Committee on Conference finds that the State should make more effort to ensure that operators of alternative accommodations, such as those potentially covered by this measure, pay their fair share of applicable transient accommodations taxes and general excise taxes.

Specifically, this measure is intended to increase compliance by operators of alternative accommodations with their obligation to pay transient accommodations taxes and general excise taxes by allowing a transient accommodations broker to collect and remit these taxes on behalf of their operators and plan managers. This measure is not intended to preempt or affect the authority of or exercise by the counties of their land use regulatory powers.

Your Committee on Conference also finds that it is incumbent upon the Department of Taxation to diligently monitor and review the implementation of this measure to ensure that all transient accommodations taxes and general excise taxes are properly paid and to appropriately exercise the Department of Taxation's authority to review and examine the payments and information provided under this measure, so that, prior to the expiration of this measure in five years, the Department of Taxation is able to provide the Legislature with a clear and comprehensive understanding of the effectiveness of this measure.

Your Committee on Conference has amended this measure by:

- (1) Specifying that a registered transient accommodations broker tax collection agent must include, with their filing of monthly or other periodic returns as required by section 237-30, Hawaii Revised Statutes, taxable income, gross transient accommodations rentals, and other information regarding the agent's business activity;
- (2) Clarifying the licensure procedure for a registered transient accommodations broker tax collection agent's represented operators and plan managers;
- (3) Establishing notification and disclosure procedures for transient accommodations broker tax collection agents regarding their notification duties to both operators and plan managers using their services and to the Director of Taxation;
- (4) Amending land use compliance provisions to require operators or plan managers to attest, rather than verify by written certification, verification, or permit issued by an appropriate county agency, that the subject property complies with applicable land use laws;
- (5) Specifying that the provisions of this measure do not compromise the authority of the Department of Taxation to conduct audits, investigations, hearings, or issue subpoenas under section 231-7, Hawaii Revised Statutes;
- (6) Requiring each transient accommodations broker tax collection agent to submit an annual report to the Director of Taxation regarding aggregate data for the total number of operators and plan managers represented by the agent and the total amount of taxes remitted by the agent on a county-by-county basis;
- (7) Establishing a five-year sunset that specifies that the provisions of the measure shall be repealed on December 31, 2021, and shall not apply to taxable years beginning after December 31, 2021; and
- (8) 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. 1850, H.D. 1, S.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1850, H.D. 1, S.D. 3, C.D. 1.

Signed by the Chairs on behalf of the Committee.

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

Representatives Jordan, Onishi, Yamashita and Fukumoto Chang.
Managers on the part of the House.
Ayes, 4. Noes, none. Excused, none.

Conf. Com. Rep. 171-16 on H.B. No. 2482

The purpose and intent of this measure is to create greater transparency in health care by broadening the scope of health care information that is submitted to the State Health Planning and Development Agency.

Specifically, this measure:

- (1) Requires health care providers and all payers of claims for health care services to submit data and information related to health and health care to the State Health Planning and Development Agency, consistent with all state and federal data use and disclosure, privacy, security, and confidentiality laws;
- (2) Specifies that information to be submitted to the State Health Planning and Development Agency includes health care services claims and payment data, including information about the nature of reimbursement and any fees, discounts, incentives, or performance payments affecting the rate of reimbursement;
- (3) Specifies that the State Health Planning and Development Agency shall not disclose any individual patient's personal health information in violation of state or federal law;
- (4) Requires the State Health Planning and Development Agency to submit the acquired data to a University of Hawaii data center; and
- (5) Requires the entity accepting health care services claims and payment data to enter into a negotiated data sharing agreement with any payer or insurer before data is submitted.

Your Committee on Conference finds that reporting health care services claims and payment information to the State Health Planning and Development Agency would support the collection and analysis of medical treatment claims and payment information. This, in turn, would promote transparency in the health care sector and support public policy decision making.

Your Committee on Conference further finds that the rising health care costs borne by the State for its public employees, public sector retirees, Medicaid recipients, and others necessitates a thorough and thoughtful analysis of health care, dental care, and prescription drug claims made under insurance plans that are funded with state moneys. Your Committee on Conference believes that the collection and analysis of claims data and other information from providers of health insurance that provide health benefits funded by the Hawaii Employer-Union Health Benefits Trust Fund and the state Medicaid agency would offer policymakers additional tools to understand the drivers of medical care costs. Your Committee on Conference intends for this measure to facilitate the collection and analysis of information relating to the provision of health, dental, and prescription drug benefits, enrollment data, claims reimbursements, and any other information required by the State Health Planning and Development Agency to determine health benefit costs. Your Committee on Conference further notes that in gathering and analyzing health information and claims data, it will be of critical importance to preserve patient privacy and maintain the security of patient information, patient identifiers, and other protected information.

Your Committee on Conference has amended this measure by:

- (1) Beginning November 1, 2016, requiring providers of health insurance that provide health benefit plans funded by the Hawaii Employer-Union Health Benefits Trust Fund or the state Medicaid agency to provide the State Health Planning and Development Agency with administrative data required by the agency to determine health benefits costs;
- (2) Authorizing, but not requiring, providers of health insurance not included in paragraph (1) to provide similar administrative data to the State Health Planning and Development Agency;
- (3) Requiring the State Health Planning and Development Agency to submit collected data to the College of Social Sciences, Social Sciences Research Institute, Pacific Health Informatics and Data Center at the University of Hawaii for processing and assignment of encrypted identifiers;
- (4) After July 1, 2018, authorizing the State Health Planning and Development Agency to designate another data center to receive collected data;
- (5) Authorizing the State Health Planning and Development Agency to contract with entities to analyze collected data for the purpose of benefitting Medicare and Medicaid recipients, public employees, and public sector retirees and for other public purposes;
- (6) Requiring the State Health Planning and Development Agency to develop and update an annual plan for the analysis, maintenance, and publication of collected data, and requiring the agency to seek approval for the annual plan from the Director of Health, the Administrator of the MedQuest Division of the Department of Human Services, and the Chief Information Officer of the State;
- (7) Directing the State Health Planning and Development Agency to adopt administrative rules for the provision of data, including rules for data security and privacy protection;
- (8) Inserting multiple provisions to provide for the protection of private patient health information;

- (9) Authorizing the State Health Planning and Development Agency to acquire federal Medicare data sets specific to Hawaii and directing any public agency that possesses such data to share it with the State Health Planning and Development Agency at no additional cost;
- (10) Requiring the State Health Planning and Development Agency to submit an annual report to the Legislature on the submission, maintenance, and use of data submitted to the agency;
- (11) Defining the term “provider of health insurance” to include providers of medical, hospital, surgical, prescription drug, vision, or dental insurance benefits, including third party administrators;
- (12) Defining the term “administrative data” and specifying the types of data to be submitted to the State Health Planning and Development Agency;
- (13) Directing the State Health Planning and Development Agency to adopt, without regard to the notice and hearing requirements of Chapter 91, Hawaii Revised Statutes, interim rules for the provision of data, which remain effective until June 30, 2017, or until the adoption of permanent administrative rules;
- (14) Directing the State Health Planning and Development Agency to submit a report to the Legislature in 2017 and 2018 on:
 - (A) The progress of establishing procedures for submitting data to the agency;
 - (B) The means of financing, use, and status of any state or federal moneys received for the purposes of establishing or contracting the services of a data center to collect and process data; and
 - (C) The means of financing, use, and status of any state or federal moneys received for the purposes of contracting the services of private entities to analyze data; and
- (15) 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 H.B. No. 2482, 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. 2482, H.D. 2, S.D. 1, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Tokuda, Kidani and Nishihara.

Managers on the part of the Senate.

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

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

Managers on the part of the House.

Ayes, 3. Noes, none. Excused, 2 (Luke, Choy).

Conf. Com. Rep. 172-16 on H.B. No. 1072

The purpose of this measure is to authorize the Board of Psychology to grant prescriptive authority privilege to prescribing psychologists who meet specific education, training, and registration requirements.

Your Committee on Conference notes that the mental health needs of the State continue to outweigh present capacity. According to the National Alliance on Mental Illness and the federal Substance Abuse and Mental Health Services Administration, approximately 32,000 adults in Hawaii, representing more than three percent of the population, live with serious mental illness. However, this figure may not completely reflect the scope of need, as it does not include individuals with other clinical diagnoses such as unipolar depression, anxiety disorders, adjustment disorders, substance abuse, or post-traumatic stress disorder. Furthermore, the United States Department of Health and Human Services states that in 2014, one in five American adults experienced a mental health issue and one in twenty-five Americans lived with a serious mental illness, such as schizophrenia, bipolar disorder, or major depression. Authorizing prescriptive authority to prescribing psychologists will improve access to safe, high quality health care in the State, particularly in the State’s rural and underserved communities.

According to a Report on Findings from the Hawaii Physician Workforce Assessment Project (December 2014), physician shortages, including psychiatry, are highest in Hawaii’s rural areas. Across the different counties, the greatest shortage of psychiatrists is found in Maui County, which has a 41.2 percent shortage, followed by Hawaii County, with a 39.2 percent shortage, and Kauai County, which has a 29.5 percent shortage. The report reflects no shortage of psychiatrists in the City and County of Honolulu.

Your Committee on Conference has amended this measure by:

- (1) Specifying that prescriptive authority shall be granted only to qualified psychologists practicing in a county with a population of less than 500,000;
- (2) Specifying that the patient’s primary care provider with whom a prescribing psychologist is required to consult and collaborate must be a licensed physician or osteopathic physician;
- (3) Specifying that the Board shall begin accepting applications for prescriptive authority privilege on July 1, 2017;
- (4) Adding a severability clause;
- (5) Making it effective on July 1, 2016, and adding a sunset date of August 31, 2024; and
- (6) Making technical, nonsubstantive amendments for the purpose 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. 1072, 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. 1072, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Tokuda, Kidani and Ruderman.

Managers on the part of the Senate.

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

Representatives Belatti, McKelvey, Nishimoto and San Buenaventura.

Managers on the part of the House.

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

Conf. Com. Rep. 173-16 on H.B. No. 2707

The purpose of this measure is to improve the operation and oversight of the State's medical marijuana program.

More specifically, this measure, among other things:

- (1) Requires the Department of Health and licensed medical marijuana dispensaries to provide aggregated de-identified data to the Department of Business, Economic Development, and Tourism upon request;
- (2) Amends various definitions and provisions establishing procedures and restrictions regarding medical marijuana dispensary operations, products, paraphernalia, data collection, transportation, and testing;
- (3) Provides that advanced practice registered nurses may certify patients for medical marijuana use;
- (4) Clarifies business procedures for dispensaries, including excluding dispensaries from enterprise zone tax exemptions and setting restrictions for dispensaries in the utilization of subcontracting operators and service contractors;
- (5) Specifies the application and non-application of certain provisions of the Internal Revenue Code to expenses related to the production and sale of medical marijuana and manufactured marijuana products for state income tax purposes;
- (6) Clarifies that amounts received for the sale of marijuana or manufactured marijuana products are not exempt from the state general excise tax;
- (7) Authorizes certain University of Hawaii branches to establish medical marijuana testing and research programs that qualify as commercial enterprises to provide testing services for medical marijuana dispensaries; and
- (8) Establishes a legislative oversight working group to develop and recommend legislation to improve the medical marijuana dispensary system.

Your Committee on Conference notes that Act 241, Session Laws of Hawaii 2015, established a licensing scheme for a statewide system of medical marijuana dispensaries to ensure access to medical marijuana for qualifying patients.

Your Committee on Conference finds that it is necessary to clarify and amend certain statutes pertaining to the State's medical marijuana program consistent with guidance provided in the August 29, 2013, memorandum to all United States Attorneys from Deputy Attorney General James M. Cole regarding the exercise of federal prosecutorial discretion in states with laws authorizing marijuana cultivation and distribution for medical use. The memorandum emphasized that jurisdictions that have enacted laws legalizing marijuana in some form and that have also implemented strong and effective regulatory and enforcement systems to control the cultivation, distribution, sale, and possession of marijuana in compliance with the jurisdiction's laws and regulations are less likely to implicate the federal government's priorities regarding the prohibition of marijuana and criminal activities that may be associated with marijuana, and thus are less likely to experience federal enforcement activities.

Your Committee on Conference further finds that ensuring safe access to medical marijuana for qualifying patients through a regulated and monitored system of safe, efficient, and responsibly operated medical marijuana dispensaries is in the best interest of the State.

Your Committee on Conference has amended this measure by:

- (1) Providing that certain prohibitions related to drug paraphernalia shall not apply to persons authorized to use, facilitate the use of, or dispense medical marijuana;
- (2) Deleting certain unnecessary definitions and establishing a definition of "plant" for purposes of tracking a licensed dispensary's inventory of medical marijuana;
- (3) Providing that a dispensary, licensed pursuant to a license application or license renewal application submitted after January 29, 2016, may operate a production center that includes a transparent or translucent roof, in compliance with applicable building codes and regulations, after notice to the Department of Health;
- (4) Clarifying that authorized state employees and law enforcement officials acting in their official capacity may touch or handle marijuana or manufactured marijuana products in dispensary facilities;
- (5) Reformatting, for ease of reference, statutory language regarding background checks;
- (6) Clarifying that after January 1, 2017, all members of a limited liability company dispensary applicant or licensee, pursuant to a license application or license renewal application submitted after January 29, 2016, shall be subject to criminal history record checks;

- (7) Changing the effective date from July 1, 2050, to July 1, 2016; and
- (8) 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. 2707, 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. 2707, H.D. 1, S.D. 2, C.D. 1.

Signed by the Chairs on behalf of the Committee.

Senators Baker, Keith-Agaran, Tokuda, Espero and Kidani.

Managers on the part of the Senate.

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

Representatives Belatti, Rhoads, Nishimoto, San Buenaventura and Fukumoto Chang.

Managers on the part of the House.

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

STANDING COMMITTEE REPORTS

SCRep. 2001 Judiciary and Labor on H.B. No. 813

The purpose and intent of this measure is to clearly establish:

- (1) That in accordance with Article III, section 7, of the Hawaii State Constitution, legislators are exempt from the fair treatment law when exercising legislative functions; and
- (2) That the fair treatment law exemption, the financial disclosure statements, and the phrase "official action" as applied to task force members, are distinct and separate from similar provisions, and the phrase "official action" as applied to legislators.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and League of Woman Voters of Hawaii.

Your Committee finds that during the Regular Session of 2012, the Legislature amended the Code of Ethics to exempt task force members from the fair treatment law. The amendment sought to duplicate the constitutionally based fair treatment exemption for legislators by including task force members, but with additional language to maintain a distinction between legislators and task force members. The State Ethics Commission testified that the amendment created some confusion as to the application of the amendment to legislators, and that prior to the amendments made in 2012, the exemption from the fair treatment law for legislators who exercised their legislative functions was consistent with the Hawaii State Constitution.

Your Committee finds that the distinction between legislators and task force members in the application of the fair treatment exemption of the Code of Ethics must be clear. Accordingly this measure reinstates the fair treatment exemption for legislators as it existed prior to 2012 and adds a separate paragraph to address the fair treatment law exemption and financial disclosure statement requirement for task force members.

Your Committee has amended this measure by inserting an effective date of January 1, 2017.

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. 813, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 813, H.D. 3, 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, Kahele, Kim).

SCRep. 2002 Judiciary and Labor on S.B. No. 2032

The purpose and intent of this measure is to:

- (1) Clarify the filing due dates of preliminary reports before certain types of elections; and
- (2) Specify that a candidate and treasurer of the candidate committee are required to file a supplemental report on January 31 every year, regardless of whether it is an election or nonelection year.

Your Committee received testimony in support of this measure from the Campaign Spending Commission and Common Cause Hawaii. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that existing law regarding the filing due dates of preliminary, final, and supplemental reports may be confusing, especially to new political candidates. This measure clarifies these important reporting deadlines to ensure better compliance with campaign expenditure reporting requirements. Your Committee further finds that the current practice for candidates is to file supplemental reports on January 31 of every year; not only on January 31 after an election year. This measure aligns the law with present 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2032, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2032, 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 (Kahele).

SCRep. 2003 Judiciary and Labor on S.B. No. 2030

The purpose and intent of this measure is to specify that the dissemination, distribution, republication, or use of campaign material, financed by any person, is not considered a contribution to a candidate if the campaign material is:

- (1) Prepared and used by candidates for governor or lieutenant governor, or their candidate committees, supporting a co-candidate in the general election;
- (2) Disseminated, distributed, or republished by the candidate or the candidate committee that prepared the material;
- (3) Incorporated into an advertisement or electioneering communication advocating the defeat of the candidate that prepared that material; or
- (4) Incorporated into a news story or editorial disseminated by any independent broadcast station or publisher of periodicals or newspapers.

Your Committee received testimony in support of this measure from the Campaign Spending Commission. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that existing law requires that the financing by any person of the dissemination, distribution, or republication of campaign materials is considered a contribution to the respective candidate, with an exception for candidates for governor or lieutenant governor supporting a co-candidate in the general election. However, under federal regulations, there are several types of campaign materials that are exempt from constituting a contribution for the purposes of contribution limitations and reporting requirements. Modeled after federal regulations, this measure specifies that the dissemination, distribution, republication, or use of certain campaign material, financed by any person, is not considered a contribution to a candidate.

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. 2030, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2030, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Kim, Slom). Noes, none. Excused, 1 (Kahele).

SCRep. 2004 Judiciary and Labor on S.B. No. 2114

The purpose and intent of this measure is to increase the penalty from \$1,000 to \$10,000 for a person providing false information on a voter registration application during the late registration period or at an absentee polling place.

Your Committee received testimony in support of this measure from the Office of Elections; Office of the County Clerk, County of Maui; Common Cause Hawaii; and League of Women Voters of Hawaii.

Your Committee finds that providing false information on a voter registration application during the late registration period or at an absentee polling place is a class C felony with a penalty of \$1,000. Existing law provides that a person convicted of a class C felony may be sentenced to pay a fine not to exceed \$10,000. This measure increases the penalty for providing false information to be consistent with the maximum penalty for a class C felony.

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. 2114, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2114, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 2005 Judiciary and Labor on S.B. No. 2029

The purpose and intent of this measure is to:

- (1) Increase the amounts of fines that may be assessed against any person other than an individual, rather than only a corporation, organization, association, or labor union, for campaign spending violations;
- (2) Allow the Campaign Spending Commission to recover costs incurred from violators including but not limited to the cost of investigative services; and
- (3) Direct monies collected for costs recovered by the Campaign Spending Commission to be deposited in the Hawaii election campaign fund.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Common Cause Hawaii, and League of Women Voters. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the Campaign Spending Commission, funded by various sources including but not limited to the depleted Hawaii election campaign fund, enforces the State's campaign finance laws, including the assessment of fines for campaign spending violations. Increasing campaign spending violation fines and allowing the Campaign Spending Commission to recover costs incurred from violators enables the Commission to maintain adequate funding and continue to deter potential violators, including political action committees that make only independent expenditures. Implementation of this measure promotes the integrity and transparency of the campaign finance process and ensures the continued enforcement of the State's campaign finance laws.

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. 2029 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Kim, Slom). Noes, none. Excused, 1 (Kahele).

SCRep. 2006 Judiciary and Labor on S.B. No. 2031

The purpose and intent of this measure is to clarify that increased fines may apply if a noncandidate committee fails to timely file a second preliminary general report.

Your Committee received testimony in support of this measure from the Campaign Spending Commission and Common Cause Hawaii. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that noncandidate committees are required to file a second preliminary general report on October 1 of each general election year, in addition to a preliminary general report that is required to be filed ten days prior to a general election. However, under existing law, a noncandidate committee that fails to timely file a preliminary general report, rather than a second preliminary general report, is subject to increased fines. Implementation of this measure clarifies that increased fines are applicable if a noncandidate committee fails to timely file a second preliminary general report, rather than a preliminary general report, in alignment with the increased fines for a candidate committee's failure to timely file a second preliminary primary report.

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. 2031 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; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Kahele).

SCRep. 2007 Judiciary and Labor on S.B. No. 2108

The purpose and intent of this measure is to authorize the attorney general and county prosecuting attorneys to use administrative subpoenas to obtain records in criminal investigations, regardless of whether the recipient or the records are physically located within the State.

Your Committee 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, Office of the Prosecuting Attorney of the County of Kauai, and Department of the Prosecuting Attorney of the County of Maui.

Your Committee finds that during all phases of a criminal case, the Attorney General and county prosecutors frequently need to obtain records from an entity located outside of the State. However, existing law pertaining to criminal records process only authorizes the use of grand jury subpoenas and trial subpoenas to obtain records held by entities located outside of the State. As a result, the Attorney General and county prosecutors have no authority to use administrative subpoenas to obtain records that are held by entities located outside of the State during the investigative phase of a criminal case. Implementation of this measure will facilitate criminal investigations and properly enable the use of subpoenas during all phases of a criminal case.

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. 2108 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, 2 (Kim, Thielen).

SCRep. 2008 Transportation and Energy on S.B. No. 2021

The purpose and intent of this measure is to extend the special purpose revenue bond authorization under Act 89, Session Laws of Hawaii 2011, to BioEnergy Hawaii, LLC, for the purpose of establishing a cogeneration facility and related energy production facilities to June 30, 2021.

Your Committee received testimony in support of this measure from the Department Of Transportation; BioEnergy Hawaii, LLC; Ulupono Initiative; and Pacific Waste, Inc. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that it is in the public interest to encourage the development of cogeneration facilities that make energy available to members of the general public by the sale of electric energy or biofuels, or both, to an electric utility or refinery, or both, serving the area.

Your Committee further finds that the benefits of the development of cogeneration facilities include:

- (1) Reduced greenhouse gas emissions;
- (2) Reduced landfill waste streams;
- (3) Reduced transportation and disposal costs;
- (4) Creation of local technical and semi-technical jobs;
- (5) Renewable energy for local communities through distributed generations; and
- (6) Reduced dependence on imported fossil fuels for local transportation and energy needs.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2021 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Chun Oakland).

SCRep. 2009 (Majority) Transportation and Energy on S.B. No. 2083

The purpose and intent of this measure is to prohibit smoking in a motor vehicle when a minor is present.

Your Committee received testimony in support of this measure from the Department of Health, County of Hawaii Police Department, County of Kauai Office of the Prosecuting Attorney, Coalition for Tobacco-Free Hawaii, Hawaii COPD Coalition, Hawaii Public Health Association, Global Advisors on Smokefree Policy, Coalition For A Tobacco Free Hawaii, University of Hawaii Student Health Advisor Council, and numerous individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance and six individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that secondhand smoke is a dangerous class A carcinogen in the same class as asbestos and benzene. Secondhand smoke typically contains at least seven thousand identifiable chemicals, around seventy of which are known or probable carcinogens. The Fiftieth Anniversary United States Surgeon General Report, released on January 17, 2014, states that any level of exposure to secondhand smoke is dangerous and over two and a half million nonsmokers have died from health problems caused by secondhand smoke since 1964.

Your Committee further finds that children generally breathe in more air than adults because their lungs are still developing. Children also have little or no control over their environments and cannot leave if secondhand smoke bothers them. As a result, children exposed to secondhand smoke run a greater risk of suffering from the damaging health effects.

According to testimony, extensive scientific literature shows that passive smoke exposure in a confined space, such as inside a car, is particularly harmful. Further studies demonstrate the concentration of toxins in a smoke-filled car is twenty-three times greater than that of a smoky bar. Children are especially vulnerable to the contaminants of secondhand smoke because their bodies are still developing. Children breathe more rapidly than adults, and therefore inhale more harmful chemicals per pound of their weight than do adults in the same amount of time.

As of June 2015, over twenty jurisdictions within the United States have enacted smoke-free vehicle laws to protect minors, including California, Oregon, and the County of Hawaii. Specifically, section 14-21, Hawaii County Code, prohibits smoking "in any vehicle, whenever occupied by a person less than eighteen years of age."

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2083 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Kidani). Noes, 2 (Nishihara, Slom). Excused, 1 (Chun Oakland).

SCRep. 2010 Judiciary and Labor on S.B. No. 2187

The purpose and intent of this measure is to:

- (1) Decrease the distance that a person must live from the court to be exempt from jury service from seventy miles to fifty-five miles; and
- (2) Increase the mileage fee paid to jurors and prospective jurors from 33 cents to 45 cents.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that this measure proposes to make amendments to jury service laws. The Judiciary raised concerns in its written testimony that decreasing the distance a person must live from a court in order to be exempt from jury service will significantly impact the Third Circuit's ability to obtain an adequate number of potential jurors on the island of Hawaii. If the required distance is lowered, the Judiciary testified that there will be pockets of jurors who may be exempt from jury service in both Hilo and Kona because a person may live more than fifty-five miles from the two circuit court forums.

Your Committee also has questions regarding the method by which mileage fees are paid to jurors and prospective jurors if there are different routes, each with different distances, that jurors and prospective jurors could take to report to the court house for jury service.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an unspecified number of miles a person must live from the court to be exempt from jury service; 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. 2187, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2187, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2011 Judiciary and Labor on S.B. No. 2106

The purpose and intent of this measure is to:

- (1) Increase the per diem payments for out-of-state witnesses in criminal cases from \$145 to \$200; and
- (2) Increase the per diem payment supplement from \$90 to \$145 for witnesses from any island other than the island on which is the court is located when that witness is required to stay overnight.

Your Committee 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 Hawaii; Office of the Prosecuting Attorney, County of Kauai; and Department of the Prosecuting Attorney, County of Maui.

Your Committee finds that the criminal case witness per diem stipend amounts have not kept pace with Hawaii's cost of living. Given the increases in costs for lodging and food, the existing per diem stipend amounts are insufficient to cover personal expenses and, as a result, may prevent victims of crimes from pursuing charges against criminal offenders. This measure increases the per diem stipend amounts for out-of-state witnesses and witnesses who require an overnight stay on another island in the State, in order to support and encourage victims and other witnesses to report criminal offenses and pursue criminal charges.

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. 2106 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Thielen).

SCRep. 2012 (Majority) Judiciary and Labor on S.B. No. 2117

The purpose and intent of this measure is to:

- (1) Authorize a permanent absentee voter to request and receive a ballot at an alternate address for elections within an election cycle; provided that the request does not serve as a cancellation of the voter's permanent absentee status or as a change to the voter's permanent absentee mailing address;
- (2) Clarify that certain conditions that normally lead to a termination of permanent absentee voter status do not apply if the voter resides in an absentee ballot only area;
- (3) Replace references to facsimile ballots with references to electronic ballots; and
- (4) Authorize a voter to receive a permanent absentee ballot by electronic transmission if the voter has not received the ballot within five days of an election, requires a replacement ballot within five days of an election, or would otherwise not be able to return a properly issued ballot by the close of polls.

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; League of Women Voters; and two individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that as the number of permanent absentee mail voters rises, so does the potential need to send a ballot to an alternate address or replace a voter's ballot for various reasons including but not limited to spoilage and postal non-delivery. While voters that are covered under the Uniform Military and Overseas Voters Act may receive a replacement ballot by facsimile transmission or electronic mail delivery, all other absentee mail voters are limited to receiving a replacement ballot by postal mail. Authorizing voters to receive a permanent absentee ballot by electronic transmission, under certain conditions, will benefit voters who, due to a variety of circumstances, are unable to receive and return a ballot by mail by the closing of polls. Implementation of this measure provides a practical and expeditious means for absentee mail voters to cast a ballot and is consistent with efforts to maximize voter participation.

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. 2117, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2117, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, 1 (Thielen).

SCRep. 2013 (Majority) Judiciary and Labor on S.B. No. 2215

The purpose and intent of this measure is to appropriate funds to the Department of Labor and Industrial Relations for the hiring of six hearing officer positions and support staff within the Department's Disability Compensation Division and to provide the officers and staff with legal and medical training.

Your Committee received testimony in support of this measure from the Department of Human Resources Development, Department of Human Resources of the City and County of Honolulu, Hawaii Injured Workers Association, ILWU Local 142, Pacific Resource Partnership, and one individual. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Implementation of this measure will enable the Department of Labor and Industrial Relations' Disability Compensation Division to be more efficient and effective, benefiting all stakeholders.

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. 2215, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2215, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, 1 (Thielen).

SCRep. 2014 Commerce, Consumer Protection, and Health on S.B. No. 2660

The purpose and intent of this measure is to make permanent the voluntary deregistration process for fee non-time share interests by removing the sunset date of Act 119, Session Laws of Hawaii 2013, as amended by Act 47, Session Laws of Hawaii 2014.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and American Resort Development Association Hawai'i.

Your Committee finds that Act 120, Session Laws of Hawaii 2009, deregistered fee simple time share transactions from the Land Court system and established a procedure to move these transactions to the regular system in the Bureau of Conveyances. This process was intended to ease the backlog of recordings at the Land Court.

Your Committee further finds that Act 119, Session Laws of Hawaii 2013, separated the voluntary deregistration of fee non-time share interests from the voluntary deregistration of time share interests under Part II of Chapter 501, Hawaii Revised Statutes, pursuant to Act 120, Session Laws of Hawaii 2009, and made the deregistration mandatory and permanent. Act 119, Session Laws of Hawaii 2013, also preserved a sunset date of December 31, 2014, for the deregistration of fee non-time share interests. However, prior to December 31, 2014, Act 47, Session Laws of Hawaii 2014, was enacted to extend the sunset for voluntary deregistration and transfer of fee non-time share interests to December 31, 2015. Your Committee finds that repealing the sunset provision of Act 119, Session Laws of Hawaii 2013, as amended by Act 47, Session Laws of Hawaii 2014, as provided by this measure, will permanently establish the streamlined process for deregistration and transfer of fee non-time share interests.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2660 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2015 Transportation and Energy on S.B. No. 2131

The purpose and intent of this measure is to restore:

- (1) The definition of "power-generating facility" in section 243-1, Hawaii Revised Statutes; and
- (2) The fuel tax on naphtha, as used in a power-generating facility, at a rate of two cents per gallon.

Your Committee received testimony in support of this measure from the Department of Taxation and Kaua'i Island Utility Cooperative. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the fuel tax on naphtha was enacted in 2007 but was repealed on December 31, 2015, by Act 188, Session Laws of Hawaii 2012. Naphtha is a source of alternative fuel that should be taxed to enhance state revenues. This measure will restore the tax retroactive to January 1, 2016.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2131, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2131, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 2016 Judiciary and Labor on S.B. No. 2310

The purpose and intent of this measure is to prohibit the court from granting mutual protective orders unless separate petitions are filed and reasonable notice is provided.

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 Coalition Against Domestic Violence, American Association of University Women of Hawaii, and Hawaii Women's Coalition.

Your Committee finds that mutual orders of protection are protective orders issued against both parties to a dispute and are usually issued after one of the parties petitions for a protective order. While protective orders are intended to protect a victim of abuse from imminent threat of abuse or further domestic abuse, mutual protective orders can present a variety of problems that may be contrary to the purpose of a protective order. This measure ensures due process rights of both parties while strengthening the court's response to victims of abuse.

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. 2310 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, 1 (Shimabukuro).

SCRep. 2017 (Majority) Judiciary and Labor on S.B. No. 2289

The purpose and intent of this measure is to require employers to keep a record of the former physical addresses and current physical address of the employer and the North American Industry Classification System code applicable to the employer.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and Altres, Inc.

Your Committee finds that federal funding levels for the Department of Labor and Industrial Relations 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. Implementation of this measure will allow the Department of Labor and Industrial Relations to gather accurate data regarding employers, protecting federal funding levels.

Your Committee further finds that even though existing law requires the Department of Labor and Industrial Relations to collect, assemble, and furnish information pertaining to insurance plans, many of these requirements are now regulated by the Department of Commerce and Consumer Affairs' Insurance Division. An amendment to this measure is therefore necessary to reflect the existing organizational structure pertaining to insurance plans.

Accordingly, your Committee has amended this measure by:

- (1) Deleting paragraph (4) of section 371-11, Hawaii Revised Statutes, pertaining to insurance plan information; 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. 2289, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2289, 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, 1 (Shimabukuro).

SCRep. 2018 Hawaiian Affairs on S.B. No. 2124

The purpose and intent of this measure is to:

- (1) Require agencies that collect receipts for any disposition of the public land trust to transfer to the Office of Hawaiian Affairs twenty per cent of each receipt from a disposition each fiscal quarter;
- (2) Return to the Office of Hawaiian Affairs certain monies previously claimed as public land trust overpayments to the office; and
- (3) Establish a public land trust revenues negotiating committee to determine the amount of income and proceeds from the public land trust that the Office of Hawaiian Affairs should receive annually.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, the Native Hawaiian Chamber of Commerce, Chaminade University of Honolulu, the Makaha Hawaiian Civic Club, the Association of Hawaii Civic Clubs, and sixteen individuals. Your Committee received testimony in opposition to this measure from Ho'omana Pono, LLC; and the Center for Hawaiian Sovereignty Studies. Your Committee received comments on this measure from the Department of the Attorney General, the University of Hawai'i System, and one individual.

Your Committee has heard the testimony of the Department of the Attorney General expressing concerns that an increase of the Office of Hawaiian Affairs' share of the receipts from the use of public land trust lands should be determined through negotiation with the State.

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.

Your Committee has also heard concerns about transparency and about the difficulty of having an even number of members on the negotiating committee. Your Committee finds that these issues raise concerns that merit further consideration and requests that your Committee on Ways and Means further examine those issues and concerns raised by the testifiers on this measure.

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. 2124, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2124, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 1 (English).

SCRep. 2019 Commerce, Consumer Protection, and Health on S.B. No. 2848

The purpose and intent of this measure is to amend requirements under the money transmitters law for money transmitter licensee change in control applications and update a reference to federal Regulation E.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that under the existing money transmitters statute, only a money transmitter licensee may submit an application to the Commissioner of Financial Institutions requesting approval for a proposed change in control of the money transmitter licensee. This is impracticable in hostile takeover situations in which a licensee may be uncooperative. Accordingly, this measure expands the class of persons who may apply for the Commissioner's approval of a change in control. This measure also enhances consumer protection by enabling the Division of Financial Institutions of the Department of Commerce and Consumer Affairs to conduct criminal history record checks on persons assuming control of the money transmitter licensee, which will enable the

Commissioner to determine whether the persons requesting approval of the change in control possess the requisite character and general fitness to properly and lawfully control the licensee without jeopardizing the interests of the public.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2848 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2020 Commerce, Consumer Protection, and Health on S.B. No. 2850

The purpose and intent of this measure is to make various amendments to the mortgage loan originators law, chapter 454F, Hawaii Revised Statutes, and the mortgage servicers law, chapter 454M, Hawaii Revised Statutes, including:

- (1) Increasing the clarity and consistency of the two chapters, which regulate related industries;
- (2) Moving mortgage servicer provisions that currently appear in chapter 454F, Hawaii Revised Statutes, to chapter 454M, Hawaii Revised Statutes; and
- (3) Deleting the mortgage loan servicer loan modification license under chapter 454F, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that there is a certain amount of overlap between the mortgage loan origination industry governed by chapter 454F, Hawaii Revised Statutes, and the mortgage servicer industry governed by chapter 454M, Hawaii Revised Statutes. This measure makes various amendments to these chapters for clarity and consistency and migrates mortgage servicer provisions under chapter 454F, Hawaii Revised Statutes, into the mortgage servicer law, which will help eliminate confusion for mortgage servicers. This measure also deletes a special mortgage loan servicer loan modification license under chapter 454F, Hawaii Revised Statutes, as the need for this license has been eliminated by amendments to the mortgage servicer law. Your Committee further finds that the amendments proposed by this measure will ensure clearer requirements within the mortgage loan origination and mortgage servicer industries, which will support licensee compliance.

Your Committee has amended this measure by:

- (1) Clarifying that if an aggregate administrative fine imposed for a violation of the mortgage servicers law exceeds \$7,000, \$1,000 of the fine shall be deposited into the mortgage foreclosure dispute resolution fund; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2850, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2850, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2021 (Joint) Hawaiian Affairs and Water, Land, and Agriculture on S.B. No. 2161

The purpose and intent of this measure is to appropriate funds for the administration and operation of the Aha Moku Advisory Committee and for community outreach.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, the Aha Moku Advisory Committee, Hookipa Network Kauai, Aha Moku Kauai, Poo Moku Koolau, the Koolaupoko Hawaiian Civic Club, the Association of Hawaiian Civic Clubs, and twenty-one individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees have amended this measure by:

- (1) Adding community outreach as a permissible use of the appropriated funds in section 2 and removing the appropriation in section 3 for community outreach; 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, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2161, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2161, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).
Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Wakai, Slom).

SCRep. 2022 (Joint) Hawaiian Affairs and Judiciary and Labor on S.B. No. 2162

The purpose and intent of this measure is to appropriate funds for the Judiciary to establish long-term Hawaiian language resources and capacity building to train experts in the Hawaiian language field.

Your Committees received testimony in support of this measure from the Judiciary, the University of Hawai'i System, the Institute of Hawaiian Language Research and Translation at the University of Hawaii, the College of Hawaiian Language at the University of Hawaii at Hilo, Kamehameha Schools, Aha Punana Leo, the Kalihi Palama Hawaiian Civic Club, the Association of Hawaiian Civic Clubs, and seventeen individuals. Your Committees received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committees have amended this measure by:

- (1) Adding a Hawaiian language translation of the measure contents;
- (2) Inserting an effective date of July 1, 2016; 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 Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2162, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2162, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2023 Judiciary and Labor on S.B. No. 2836

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; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and one individual.

Your Committee finds that the negotiations for collective bargaining agreements for bargaining unit (14) are currently in progress. According to the Department of Budget and Finance, an arbitration award for collective bargaining unit (14) is expected before the end of February 2016. This measure provides a legislative vehicle that can be used if an agreement is reached or an arbitration award is issued.

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. 2836, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2836, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Shimabukuro, Slom).

SCRep. 2024 Judiciary and Labor on S.B. No. 2835

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, University of Hawai'i System, and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that in November 2015, the arbitration panel issued an award for public employees in collective bargaining unit (8), and this measure provides a legislative vehicle to effectuate the terms and conditions of the arbitrated award for public employees in collective bargaining unit (8).

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. 2835, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2835, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Shimabukuro, Slom).

SCRep. 2025 Transportation and Energy on S.B. No. 2502

The purpose and intent of this measure is to:

- (1) Exempt personal income tax income and general excise and use taxes in an amount up to an unspecified percentage of the costs of construction and operation of projects entered into under a public-private partnership with the Employees' Retirement System to improve water infrastructure or water supply, or to promote clean energy; and
- (2) Authorize the Employees' Retirement System to make investments in such public-private partnerships.

Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and Employees' Retirement System.

Your Committee finds that this measure creates a general excise tax exemption for income received from certain public-private partnership contracts entered into with the Employees' Retirement System. This measure also creates similar incentives under the income tax law and use tax law.

Your Committee believes that the formation of public-private partnerships should be encouraged in order to stimulate the state economy, allow state departments and agencies to obtain expertise from the private sector, and provide infrastructure support and more clean energy services to the public.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2502 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 2026 Water, Land, and Agriculture on S.B. No. 2156

The purpose and intent of this measure is to allow the Department of Land and Natural Resources to become a member of the Interstate Wildlife Violator Compact or similar agreement.

Your Committee received testimony in support of this measure from Interstate Wildlife Violator Compact Board of Wildlife Violator Compact Administrators, Humane Society of the United States, International Association of Fish and Wildlife Agencies, Babooze Bowstrings, and two individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the Interstate Wildlife Violator Compact is a multistate agreement that promotes enforcement of hunting, fishing, trapping, and other wildlife related regulations across jurisdictions and could prevent wildlife violators who have lost their hunting, fishing, trapping, or other wildlife related privileges in other member states from obtaining a hunting license in Hawaii. Your Committee further finds that the Interstate Wildlife Violator Compact is a common sense way for states to share information on violators who have lost their hunting, fishing, trapping, or other wildlife related privileges and that Hawaii should be participating in this agreement.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2156 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2027 Water, Land, and Agriculture on S.B. No. 2163

The purpose and intent of this measure is to allow notice of a land use violation to be given via a posting on a searchable government website when attempts to serve the notice in person and by mail have been unsuccessful.

Your Committee received testimony in support of this measure from the City and County of Honolulu Department of Planning and Permitting and Conservation Council for Hawaii. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that personal service of notices of violation are not always successful and publication of notices in daily newspapers can be costly; therefore, the ability for public notices to be posted on a searchable government website can be beneficial to agencies issuing notices. Your Committee further finds that given that the impetus for this measure was a situation where a homeowner was polluting a stream, it is appropriate to amend this measure to ensure that it addresses the problem in question and similar violations that arise in the future.

Your Committee has amended this measure by:

- (1) Deleting section 1;
- (2) Inserting new language to amend section 342D-9, Hawaii Revised Statutes, to allow notice of a water pollution violation to be given via a posting on a searchable government website when attempts to serve the notice in person and by mail have been unsuccessful;
- (3) Inserting new language to amend section 342H-7, Hawaii Revised Statutes, to allow an order assessing an administrative penalty for a solid waste pollution violation to be given via a posting on a searchable government website when attempts to serve the notice in person and by mail have been unsuccessful; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2163, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2163, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2028 Water, Land, and Agriculture on S.B. No. 2139

The purpose and intent of this measure is to establish a community-based marine resources grant program and make key positions permanent within 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 Planning, Humane Society of the United States, Kua'āina Ulu 'Auamo, the Nature Conservancy, Conservation Council for Hawaii, Hawaii Fishing & Boating Association, and seven individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Aha Moku Advisory Committee and the Association of Hawaiian Civic Clubs.

Your Committee finds that Hawaii's people have a long tradition of resource stewardship and strong stewardship values that are essential to reversing resource declines. Community-based co-management of near shore marine areas, that is, communities working with government, is recognized as an effective tool to increase opportunities for stakeholder involvement, re-invigorate Hawaii's history and culture of mālama 'āina, increase voluntary compliance with regulations, and ultimately improve resource conditions and availability for future generations. Your Committee further finds that efforts need to be devised to bring users and other interests together, rather than further divide them, and to promote tradition and culture not as artifacts to be preserved in books and museums, but as solutions to be practiced as keys to a sustainable future.

Your Committee has amended this measure by:

- (1) Deleting sections 2 and 3, which would have established and funded the community-based marine resources grant program;
- (2) Amending section 1 to reflect the amended purpose of this measure;
- (3) Deleting the word "subsistence" from the appropriation in section 4 to establish a community-based fishing area planner to clarify that the planner would support all community-based fishery management programs; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2139, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2139, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2029 Water, Land, and Agriculture on S.B. No. 2356

The purpose and intent of this measure is to:

- (1) Require ten percent or \$7,600,000, whichever is less, of conveyance taxes collected be paid into the land conservation fund;
- (2) Require twenty-five percent or \$19,000,000, whichever is less, of conveyance taxes collected to be paid into the natural area reserve fund, with specified allocations for forest stewardship, watershed management, and youth conservation corps; and
- (3) Allow the Department of Land and Natural Resources to use conveyance tax revenue deposited in the forest stewardship fund as authorized under the specified allocations of section 247-7, Hawaii Revised Statutes, to administer the forest stewardship program and manage the forest reserve system.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Oahu Invasive Species Committee, the Trust for Public Land, Conservation Council for Hawaii, The Nature Conservancy, Sierra Club of Hawaii, and two individuals. Your Committee received testimony in opposition to this measure from Chamber of Commerce Hawaii and Building Industry Association of Hawaii. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the natural area reserve fund was a dedicated funding mechanism created for the natural area partnership program, the natural area reserves, the watershed partnerships program, and the youth conservation corps through taxes paid on conveyances of land. Your Committee further finds that the legacy land conservation program provides funding from the land conservation fund for the acquisition of lands, including easements, for the protection of the land. Grants from the land conservation fund are available through the legacy land conservation program to state agencies, counties, and non-profit land conservation organizations seeking funding to acquire property that has value as a resource to Hawaii.

Your Committee has amended this measure by:

- (1) Deleting language that would have allocated a portion of conveyance tax revenues to the natural area reserve fund for forest stewardship, watershed management, and youth conservation corps; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2356, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2356, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2030 Water, Land, and Agriculture on S.B. No. 2802

The purpose and intent of this measure is to require persons who wish to access private land for hunting to first obtain written permission from the land owner.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and Babooze Bowstrings. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs and one individual.

Your Committee finds that existing law is inadequate to deter persons with firearms or other weapons from trespassing on lands and potentially causing bodily injury to others, or damage to property, livestock, and crops; these trespassing occurrences have been especially egregious on farms and ranches. Your Committee therefore finds that a requirement that hunters receive written permission from private landowners prior to entering private lands will help to mitigate safety and vandalism concerns.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2802 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Thielen). Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2031 Water, Land, and Agriculture on S.B. No. 2382

The purpose and intent of this measure is to make an appropriation for pier improvements at Maalaea small boat harbor, Maui.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Ocean Tourism Coalition.

Your Committee finds that the heavily-used Maalaea small boat harbor on Maui serves as a vital connection to recreational and commercial ocean activities and must be kept in good working condition.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2382 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2032 Water, Land, and Agriculture on S.B. No. 2788

The purpose and intent of this measure is to authorize Molokai Irrigation System Water Users Advisory Board members to designate an agent, officer, or employee and remove the requirement that members be active general excise tax licensees.

Your Committee received testimony in support of this measure from Pūlama Lāna‘i and ten individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that the Molokai Irrigation System is the only agricultural water source on Molokai and therefore sustains agriculture on Molokai. Your Committee further finds that it is important to have a functioning Molokai Irrigation System Water Users Advisory Board to advise the Department of Agriculture on matters concerning use of the system. Therefore, your Committee finds that it is necessary that the Board be able to establish a quorum and hold official meetings frequently. Passage of this measure will facilitate the Board in conducting its duties in an efficient and effective manner.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2788 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2033 Water, Land, and Agriculture on S.B. No. 2645

The purpose and intent of this measure is to establish a program to implement standardized water audits of public water systems in accordance with the method adopted by the American Water Works Association's Water Audits and Loss Control Programs, Manual of Water Supply Practices - M36, as amended.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Fresh Water Initiative, and Sierra Club of Hawaii.

Your Committee finds that water conservation is among the least expensive and most efficient ways to increase the available supply of fresh water. Water conservation requires improving the efficiency of water delivery and identifying losses to the system. Your Committee further finds that a water audit helps a utility understand how much water is lost from a distribution system through the detailed analysis of data, which the utility can use to make informed decisions to reduce real or apparent losses. Your Committee acknowledges the testimony of the Department of Land and Natural Resources and supports the suggestion that the water audits required by this measure be conducted by the counties.

Your Committee has amended this measure by:

- (1) Amending language to require the Commission on Water Resource Management to establish a program to provide technical assistance to public water systems and require the counties, rather than the commission, to conduct standardized water audits of public water systems;
- (2) Amending language to require the commission to utilize the American Water Works Association's Free Water Audit Software, Version 5.0 or subsequent versions;
- (3) Inserting language to clarify that validation of water audits shall be level 1 validation;

- (4) Moving language requiring the commission to establish a process for validation of water loss audit reports following the principles and terminology in the American Water Works Association's Water Audits and Loss Control Programs, Manual of Water Supply Practices - M36, as amended;
- (5) Amending language to require the counties to submit an annual report to the commission, rather than requiring the commission to submit an annual report to the legislature, and beginning on July 1, 2020, require all remaining large capacity public water systems and public water systems in water management areas to also submit an annual report;
- (6) Inserting a definition of "level 1 validation"; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2645, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2645, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2034 Water, Land, and Agriculture on S.B. No. 2462

The purpose and intent of this measure is to:

- (1) Authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of the Honokohau small boat harbor to a community-based board of Hawaii county, a public-private partnership, or a private organization; and
- (2) Appropriate funds for the repair and maintenance of Honokohau small boat harbor.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Aha Moku Advisory Committee; Hawaii Fishing and Boating Association; Kids of Hawaii Nei; Blue Ocean Mariculture; Big island Jeep Tours; Ihu Nui Sportfishing; Westwind Sailing Charters, Inc.; and thirteen individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that Honokohau small boat harbor is an important source of economic activity in the Kona area on the island of Hawaii and is in need of maintenance and repair. Your Committee further finds that the management of the boat harbor by a community-based board, as proposed by this measure, has the potential to be cumbersome and ineffective for the operation of the facility and therefore should not be one of the options authorized by this measure.

Your Committee has amended this measure by:

- (1) Removing the authorization of the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of the Honokohau small boat harbor to a community-based board of Hawaii county; and
- (2) Inserting an effective date of July 1, 2016, for the appropriation.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2462, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2462, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2035 Water, Land, and Agriculture on S.B. No. 2644

The purpose and intent of this measure is to establish a refundable residential water conservation system cost income tax credit for newly constructed systems beginning January 1, 2017.

Your Committee received testimony in support of this measure from Hawaii Fresh Water Initiative, the Nature Conservancy, and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that water conservation is a high priority within the State and a residential water conservation system cost income tax credit may encourage taxpayers to take advantage of water conservation systems. Your Committee has heard the Department of Taxation's concerns regarding the language in this measure and finds the amendments suggested in the Department's testimony to be appropriate.

Your Committee has amended this measure by:

- (1) Amending language to make the tax credit non-refundable;
- (2) Deleting language to remove the aggregate tax credit cap;
- (3) Inserting language to require residential water conservation systems be approved by the Department of Health;
- (4) Amending the term "residential water conservation system" to mean a system that captures and reuses rain water or a system that collects and reuses gray water or recycled water;
- (5) Inserting language to amend the definition of "recycled water" under section 342D-1, Hawaii Revised Statutes, to include rain water or storm water;

- (6) Making the tax credit applicable to new systems constructed after December 31, 2017, and taxable years beginning after December 31, 2017; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2644, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2644, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2036 Water, Land, and Agriculture on S.B. No. 2640

The purpose and intent of this measure is to establish a two-year pilot program for a water security advisory group to enable public-private partnerships that increase water security by providing matching state funds for projects and programs that:

- (1) Increase the recharge of groundwater resources;
- (2) Encourage the reuse of water and reduce the use of potable water for landscaping irrigation; and
- (3) Improve the efficiency of potable and agricultural water use.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Community Foundation, Hawaii Fresh Water Initiative, Conservation Council for Hawaii, and the Nature Conservancy.

Your Committee finds that new and innovative partnerships are needed to catalyze large-scale investment in Hawaii's sustainable development, such as the Aloha+ Natural Capital Investment Partnership, which is a joint public-private conservation commitment that will demonstrate Hawaii's commitment to natural resources management with a special focus on climate resilience at the World Conservation Congress and beyond. Reliable, long-term funding is also needed to meet the State's Aloha+ Challenge conservation targets by 2030, which will require partners from multiple sectors, including county, state, and federal governments as well as private philanthropic and corporate entities, to work together to leverage funds and provide matching opportunities.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2640 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Wakai).

SCRep. 2037 Ways and Means on S.B. No. 3071

The purpose and intent of this measure is to:

- (1) Require the Department of Land and Natural Resources, in consultation with The Trust for Public Land, to engage in negotiations to acquire lands located at Kapua, on the Island of Hawaii;
- (2) Authorize the purchase of the makai lands of Kapua to be funded wholly or in part by transient accommodations tax revenues; and
- (3) Make an appropriation for any additional amounts necessary for the acquisition.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Pa'a Pono Miloli'i, The Trust for Public Land, The Nature Conservancy, and nine individuals. 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 the makai lands of Kapua in South Kona on the Island of Hawaii are a scenic wonder with breathtaking shoreline views. The makai lands comprise at least 6,000 acres in South Kona that are classified as agricultural or conservation land and are privately owned.

The makai lands contain significant historical, archaeological, and cultural resources, including a hōlua slide, ancient coastal trail, village sites, and superb biological resources including native dryland forests and native Hawaiian plants. As such, the State should seek to acquire the makai lands in the interests of preserving the area's pristine condition for future generations while ensuring the preservation of agricultural and conservation lands in the area.

Your Committee notes that concerns have been raised that there may be numerous unexploded ordnances in the area of the makai lands. It is your Committee's intent that the Department of Land and Natural Resources take this safety issue under consideration. At the hearing, the Department of Land and Natural Resources assured your Committee that as part of its due diligence, it will take any action and precautions necessary to address this potential issue.

Your Committee has amended this measure by:

- (1) Removing specific references to The Resort Group and directing the Department of Land and Natural Resources to negotiate with the current owners of the makai lands;
- (2) Clarifying that the term "acquire" or "acquisition" means to secure an interest in real property in fee simple or otherwise through means of purchase, sale, or exchange of other real property;
- (3) Identifying the appropriate tax map key numbers of the makai lands;

- (4) Adding language to require the Department of Land and Natural Resources to report to the Legislature beginning on July 1, 2016, and every three months thereafter on the status of the negotiations; provided that certain confidential information or information detrimental to the State's negotiating position shall not be disclosed;
- (5) Adding language directing the Department of Land and Natural Resources to attempt to reach an agreement for the acquisition of the makai lands by December 31, 2016, to notify the Governor and Legislature immediately after an agreement is reached, and provide proposed legislation, with an appropriation, if applicable, to effectuate the agreement;
- (6) Adding language to authorize the Department of Land and Natural Resources to continue negotiations after December 31, 2016, if necessary, and to continue to report to the Legislature quarterly until an agreement is reached or negotiations are terminated;
- (7) Inserting an appropriation in the amount of \$500,000 to the Department of Land and Natural Resources for the purpose of conducting due diligence on the makai lands, to include but not be limited to a determination of the likelihood that unexploded ordnances exist on any of the parcels of land;
- (8) Removing the allocation of transient accommodations tax revenues for the purchase of the makai lands and the mandate to fund the acquisition of the makai lands wholly or in part by transient accommodations tax revenues;
- (9) Removing the appropriation of additional funds for the acquisition of the makai lands; 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 Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3071, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3071, 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 (Riviere).

SCRep. 2038 Economic Development, Environment, and Technology on S.B. No. 75

The purpose and intent of this measure is to amend the law relating to the environment.

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 regulate behind-the-meter battery recycling.

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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 75, as amended herein, and recommends that it be recommitted to your Committee on Economic Development, Environment, and Technology, in the form attached hereto as S.B. No. 75, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Baker).

SCRep. 2039 Water, Land, and Agriculture on S.B. No. 2026

The purpose and intent of this measure is to establish a Hawaii apprentice hunting license program to allow persons age ten and older to experience hunting with a licensed adult mentor without first obtaining a hunting license.

Your Committee received testimony in support of this measure from the County of Hawaii Game Management Advisory Commission; Hawaii Hunting Association; Hunting, Farming, and Fishing Association; the Society for Hawaii Heritage Animals; National Wild Turkey Federation; Babooze Bowstrings; GMAC; and five individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that an apprentice hunting license program would provide an opportunity to those persons who may be interested in hunting but are unwilling or unable to commit to the requirements of a hunting license to experience hunting. Your Committee further finds that such apprentice hunting experience may lead to a greater number of persons eventually obtaining hunting licenses.

Your Committee requested the Hawaii Hunting Association and Department of Land and Natural Resources to reach agreement on this measure; however, an agreement has not yet been met regarding the age eligibility requirement. Your Committee recommends passage of this measure on Second Reading to facilitate further discussion on the issue of age eligibility.

Your Committee has amended this measure by:

- (1) Amending language to make an apprentice hunting license valid for twelve months, from July 1 until June 30, rather than twelve months from the date of issuance; and
- (2) Inserting language to cap the age eligibility for an apprentice hunting license at age seventeen.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2026, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2026, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2040 Water, Land, and Agriculture on S.B. No. 2138

The purpose and intent of this measure is to make an appropriation for a nutrient cycling center pilot project on Maui and require reporting on the efficacy of the pilot project.

Your Committee received testimony in support of this measure from the Department of Agriculture, University of Hawai'i System, Hawaii Farmers Union United, Maui Farmers Union United, Hawaii Food Policy Council, and six individuals.

Your Committee finds that nutrient cycling fosters agricultural production by preventing nutrients from flowing from farmland into aquifers and shorelines. Nutrient cycling puts end products back into the land-based food chain instead of generating waste or causing pollution, as with food waste. Your Committee further finds that nutrient cycling lowers agricultural production costs, increases yields, reduces waste in streams, and leaves the soil in revitalized condition. Your Committee also finds that a regional nutrient cycling center in Hawaii, particularly on Maui, would promote environmental, economic, and social benefits for the State along with food and energy security, while minimizing the interisland transfer of waste streams and reducing the likelihood of transporting invasive species.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2138 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2041 Transportation and Energy on S.B. No. 2652

The purpose and intent of this Act is to:

- (1) Establish a five-year renewable fuels production tax credit, to be repealed on December 31, 2021;
- (2) Repeal the ethanol facility tax credit;
- (3) Allow qualifying taxpayers to claim a refundable income tax credit equal to 20 cents per seventy-six thousand British thermal units of renewable fuel, capped at \$3,000,000 per taxable year, with a limit of \$3,000,000 per year in aggregate;
- (4) 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; and
- (5) Require the Department of Taxation to create forms for the tax credit.

Your Committee received testimony in support of this measure from Hawai'i Gas. Your Committee received comments on this measure from the Department of Taxation; Department of Business, Economic Development and Tourism; Department of the Attorney General; and Tax Foundation of Hawaii.

Your Committee finds that renewable fuels are cleaner, lower cost alternative fuels for residential, commercial, and industrial customers. Renewable fuels are the most efficient source of heat energy and is cleaner burning, making it the perfect bridge to Hawaii's clean energy future. This measure encourages the production of renewable fuels, as a diversified fuel mix to achieve the State's renewable energy goals.

Your Committee has amended this measure upon the recommendation of the Department of the Attorney General to:

- (1) Amend the definition of "renewable fuels" to delete the requirement that the fuels be produced from renewable feedstocks having its point of origin within the State; and
- (2) Delete the requirement that the renewable fuels be produced in the State.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2652, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2652, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 2042 Commerce, Consumer Protection, and Health on S.B. No. 2408

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 deemed heirs property.

Your Committee received comments on this measure from the Commission to Promote Uniform Legislation.

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 language that closely mirrors the Uniform Partition of Heirs Property Act, which establishes a hierarchy of remedies designed to protect a family's property holdings and real property wealth and is intended to provide cotenants with many of the protections and rights commonly found in private agreements governing the partition of tenancy in common property.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2408 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2043 (Majority) Commerce, Consumer Protection, and Health on S.B. No. 2446

The purpose and intent of this measure is to increase the fees every notary public is entitled to demand and receive.

Your Committee did not receive any testimony on this measure.

Your Committee finds that notary public fees have not been amended since 1995. Accordingly, this measure increases the fees notaries public are entitled to demand and receive.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2446 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 2044 Commerce, Consumer Protection, and Health on S.B. No. 2853

The purpose and intent of this measure is to:

- (1) Adopt the National Association of Insurance Commissioners' Risk Management and Own Risk and Solvency Assessment Model Act;
- (2) Apply certain requirements for risk-based capital and severability and notice provisions to risk retention captive insurance companies; and
- (3) Adopt the National Association of Insurance Commissioners Model Risk Retention Act.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, American Council of Life Insurers, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America, and Hawaii Medical Service Association. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that the National Association of Insurance Commissioners has required all states to adopt its Risk Management and Own Risk and Solvency Assessment Model Act by January 1, 2018, to maintain accreditation with the National Association of Insurance Commissioners. The Risk Management and Own Risk and Solvency Assessment Model Act has been adopted in thirty-five states and reflects a reasoned approach that enhances insurer solvency and risk management, while also protecting consumers and market competition. Accordingly, this measure adopts the Risk Management and Own Risk and Solvency Assessment Model Act, which will enable the Insurance Division of the Department of Commerce and Consumer Affairs to retain its accreditation and adopt updated rules prior to the 2018 deadline.

Your Committee further finds that this measure makes other amendments to the insurance code for purposes of maintaining National Association of Insurance Commissioners accreditation, including applying supplemental provisions, rules, and exceptions for risk-based capital and severability and notice provisions to risk retention captive insurance companies and adopting the National Association of Insurance Commissioners' Model Risk Retention Act.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2853, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2853, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2045 Commerce, Consumer Protection, and Health on S.B. No. 2329

The purpose and intent of this measure is to:

- (1) Require a mortgagee or record assignee to provide to a mortgagor or borrower, upon full satisfaction of a mortgage and discharge of the secured debt, a reassignment or release of security interests in leases and rents that served as additional security for the mortgage;
- (2) Authorize title insurers or underwritten title companies to reassign or release mortgagees' security interests in leases and rents on behalf of the mortgagee or record assignee under certain conditions; and
- (3) Authorize certain entities to institute an action in any circuit court to obtain the release or reassignment instrument in the absence of compliance of a mortgagee or record assignee.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that lenders may secure loans to a borrower through a mortgage and through an assignment of the borrower's rights in leases and rents. These security interests are generally recorded in the Bureau of Conveyances and the Office of the Assistant Registrar of the Land Court as separate documents with separate document numbers. Once a loan is paid in full and satisfied, the parties to the loan may record a release of the mortgage but may fail to record a release or reassignment of the security interest in leases and rents. As a result, many of these recorded assignments of leases and rents remain on the public record and continue to be found in subsequent title searches involving a property, even though these assignments are no longer enforceable.

Your Committee further finds that title insurers and underwritten title companies are authorized to execute the release of a satisfied mortgage in certain circumstances; however, there is no corresponding mechanism for clearing the public record of the assignments of leases and rents. Accordingly, this measure amends the procedure for clearing titles to included reassignments or releases of leases and rents. This will enable title companies to better facilitate the clearing of extraneous security interests on titles to real property from the public record.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2329, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2329, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2046 Commerce, Consumer Protection, and Health on S.B. No. 2540

The purpose and intent of this measure is to authorize the Governor to negotiate with any person for the development or expansion of a forensic facility of the Department of Health.

Your Committee received testimony in support of this measure from the Department of Health and Office of Environmental Quality Control. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that the Department of Health is proposing to undertake the construction of a new building at the Hawaii State Hospital. The new building is of high priority because of census and health and safety issues at the hospital. To expedite the development, the Department of Health and Department of Accounting and General Services intend to use the design-build process. However, the Department of Health and Department of Accounting and General Services may need more flexibility to move quickly, such as the mechanism proposed by this measure, to allow the Governor to expedite the development of a critically needed building.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2540 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 (Nishihara).

SCRep. 2047 (Majority) Commerce, Consumer Protection, and Health on S.B. No. 2666

The purpose and intent of this measure is to prohibit health insurers, mutual benefit societies, and health maintenance organizations from discriminating against a person with respect to participation and coverage under a policy, contract, plan, or agreement on the basis of the person's actual gender identity or perceived gender identity.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, Equality Hawai'i, American Civil Liberties Union of Hawai'i, LGBT Caucus of the Democratic Party of Hawai'i, Planned Parenthood Votes Northwest and Hawaii, Hawaii Medical Service Association, and sixteen individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that many health insurance plans and policies include some form of transgender-specific exclusions. As a result, transgender individuals are excluded from health care coverage based on actual gender identity or perceived gender identity, rather than because of lack of medical necessity of treatment. Your Committee further finds that transgender individuals who are prevented from obtaining health care to aid in transition face high rates of suicide. Furthermore, while discriminatory exclusions in health insurance policies can impact transition-related services, these exclusions may also prevent transgender individuals from obtaining common wellness care treatment. The consequences of discrimination against the transgender community can have profound effects on the health care system as a whole, including increased emergency room visits, hospital admissions, and long term care needs that result from delayed or denied treatment for transgender individuals.

Your Committee additionally finds that ten jurisdictions, including the District of Columbia, have laws and policies protecting against discriminatory exclusions and denials of treatment based on gender identity, in at least some circumstances. The federal government is also currently acting to address the issue of discriminatory exclusions in health insurance plans. The amendments proposed by this measure will therefore enable Hawaii to follow this important national trend by prohibiting discrimination in health care coverage, services, and treatment on the basis of actual gender identity or perceived gender identity.

Your Committee has amended this measure by:

- (1) Clarifying the definition of "gender transition";
- (2) Specifying that the non-discrimination provisions proposed by this measure shall apply to all health benefits plans under chapter 87A, Hawaii Revised Statutes; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2666, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2666, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 2048 Commerce, Consumer Protection, and Health on S.B. No. 2680

The purpose and intent of this measure is to make certain housekeeping amendments within chapter 412, Hawaii Revised Statutes, including:

- (1) Clarifying and addressing inconsistencies within the fee schedule for financial institutions; and
- (2) Repealing the credit union advisory board.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and the Hawaii Bankers Association.

Your Committee finds that this measure adds consistency within the fee schedule for financial institutions under chapter 412, Hawaii Revised Statutes. This measure also repeals the credit union advisory board, as this board has been inactive since 2010 and there are currently no state-chartered credit unions in the State. Your Committee notes that this measure does not add any new fees, but rather corrects and clarifies references to existing fees within chapter 412, Hawaii Revised Statutes.

Your Committee further finds that this measure will make chapter 412, Hawaii Revised Statutes, easier to understand, reduce questions about fees, and enhance the Division of Financial Institutions' ability to collect fees consistent with the fee schedule for financial institutions.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2680, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2680, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2049 Human Services on S.B. No. 532

The purpose and intent of this measure is to appropriate funds to Mo'okini Luakini, Inc., for hosting of Children's Day in Kohala.

Your Committee received testimony in support of this measure from five individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that this measure supports a vital piece of Hawaii's history by providing children with an educational and cultural experience during the annual Children's Day. Children's Day has been hosted by Mo'okini Luakini, Inc., for approximately 35 years. In any year, there have been between 600 and 1,300 children who visit the historical site. Funding assistance for this cultural event helps to ensure it will remain an educational and cultural experience for children.

Your Committee has amended this measure by:

- (1) Changing the date of the appropriation to reflect fiscal year 2016-2017;
- (2) Inserting an 'okina to reflect Mo'okini Luakini, Inc.'s actual business name; and
- (3) Changing the effective date to July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 532, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 532, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2050 Human Services on S.B. No. 2873

The purpose and intent of this measure is to address an inconsistency in statutory requirements regarding orders for immediate protection by allowing the Department of Human Services discretion when determining whether to seek an order for immediate protection of vulnerable adults.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that section 346-228, Hawaii Revised Statutes, allows but does not require the Department of Human Services to seek an order for immediate protection to prevent abuse. In fiscal year 2015, the Department of Human Services investigated 980 vulnerable adult abuse cases statewide. Of those 980 investigations, orders for immediate protection were sought in approximately 25 cases. The immediate court intervention was necessary because the adults in those cases lacked the capacity to consent to the provision of services, and the action was necessary to ensure their health and safety. In all other cases, the vulnerable adults or their legal representatives were able to give consent for the provision of services, and court intervention was not necessary. This measure will align the language in sections 346-228 and 346-231(a), Hawaii Revised Statutes, thereby clarifying the Department of Human Services authority to use other remedies where court intervention would not be appropriate or necessary.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2873 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2051 Human Services on S.B. No. 2340

The purpose and intent of this measure is to appropriate funds to the Department of Human Services, including the Office of Youth Services, to provide outreach services to the homeless.

Your Committee received testimony in support of this measure from the Office of the Governor, Department of Human Services, Office of Youth Services, Catholic Charities of Hawaii, Rainbow Family 808, Community Health Outreach Work Project, Hale Kipa, Waikiki Health, Hawaii Youth Services Network, LGBT Caucus Democratic Party of Hawaii, PHOCUSED, Family Support Services of West Hawaii, Hawaii Children's Action Network, Hawaii Appleseed Center for Law and Economic Justice, Family Programs Hawaii, and three individuals.

Your Committee finds that Hawaii has the highest per capita rate of homelessness of any state in the nation. Outreach is a critical part of the coordinated efforts to provide services to this sector of the population, and more strategic outreach is needed to serve the growing percentages of homeless people who are not living in shelter programs. Your Committee finds that unaccompanied homeless youth are among the most vulnerable of the homeless population. National statistics show that 33 percent of teens will be lured into prostitution within 48 hours of leaving home. Your Committee heard and concurs with testimony emphasizing the importance of outreach to the unaccompanied youth who struggle to get the services they need because of circumstances beyond their control.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2340 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2052 Human Services on S.B. No. 2811

The purpose and intent of this measure is to:

- (1) Allow the family court to terminate parental rights if the court determines by clear and convincing evidence that the child was conceived during an act of rape or sexual assault perpetrated by the parent whose rights are sought to be terminated; and
- (2) Create a presumption that termination of parental rights is in the best interest of the child if the child was conceived as a result of the rape or sexual assault.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Hawaii State Commission on the Status of Women, The Sex Abuse Treatment Center, Planned Parenthood Votes of Northwest and Hawaii, Hawaii State Coalition Against Domestic Violence, National Association of Social Workers Hawaii Chapter, Hawaii Women's Coalition, and one individual.

Your Committee finds that there are approximately 32,000 rape-related pregnancies each year in the United States. Rape is one of the most under-prosecuted serious crimes, and rapists may use the threat of pursuing custody or parental rights to coerce the survivors into not prosecuting rape. The clear and convincing evidence standard is the most common for terminating parental rights among the fifty states. Your Committee finds that changing the standard for termination of parental rights from beyond a reasonable doubt to a clear and convincing evidence standard satisfies due process while also allowing victims of rape or sexual assault to petition for termination of the perpetrator's parental rights without requiring a criminal conviction.

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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2811, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2811, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2053 Human Services on S.B. No. 2869

The purpose and intent of this measure is to allow the Department of Human Services to conduct criminal history record checks, with or without the consent, of the alleged perpetrators of harm or threatened harm to a child and all adults living in the family home, to ensure the safety of the child.

Your Committee received testimony in support of this measure from the Department of Human Services and Family Programs Hawaii.

Your Committee finds that conducting criminal history record checks on individuals, without their consent, is important to protecting children after there has been an allegation of alleged harm or threat of harm. Conducting the record checks on all adults in the family home ensure the child's continued safety. Criminal history information assists Child Welfare Services in identifying potential factors that may place the children in imminent harm. The criminal history record checks are also a critical factor in allowing

a child victim to remain in the home with a safety plan in place and when returning a child victim to the family home from foster care. The State has a compelling interest in keeping children safe and protecting them from potential harm.

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 Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2869, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2869, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2054 Human Services on S.B. No. 2385

The purpose and intent of this measure is to establish restrictions on sugar-sweetened beverages and certain other beverages served in child care facilities.

Your Committee received testimony in support of this measure from the American Heart Association, Hawaii Primary Care Association, Hawaii Public Health Institute, Family Programs Hawaii, American Diabetes Association, Hawaii Children's Action Network, and twenty-two individuals. Your Committee received comments on this measure from the Department of Human Services and the Department of Health.

Your Committee finds that children derive 10 to 15 percent of their total calories from sugary beverages. Drinking one 12-ounce soda every day increases a child's odds of becoming obese by 60 percent and doubles the risk of dental caries. Childhood obesity has more than tripled in the past 30 years, and one in three children entering kindergarten in Hawaii is overweight or obese. In Hawaii, close to 65,000 children attend some form of non-parental child care. By limiting the type of drinks that are served, an enormous number of calories and related health risks can be avoided.

Your Committee has amended this measure by:

- (1) Inserting language to exempt from the prohibitions proposed by this measure beverages provided by a parent or legal guardian for consumption by the child at the child care facility; 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2385, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2385, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2055 Education on S.B. No. 2698

The purpose and intent of this measure is to require public schools to offer students educational alternatives to the dissection and vivisection of animals.

Your Committee received testimony in support of this measure from the Humane Society of the United States, Good Shepherd Foundation, Animalearn, and six individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that dissections and vivisections are a well-established part of many biology class curricula, but that some students have ethical, moral, or religious objections to those practices. Advancements in computer software and other technologies have made it possible for schools to achieve the educational objectives met by dissections and vivisections while still respecting the positions and convictions of students regarding the humane treatment of animals.

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. 2698, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2698, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Harimoto).

SCRep. 2056 Education on S.B. No. 2606

The purpose and intent of this measure is to ensure that students in public schools will have access to digital format versions of printed curricular materials.

Your Committee received testimony in support of this measure from TechNet and six individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that digital information technologies become more and more integrated into public school classrooms as time goes on. Hawaii's students are growing up in a world where such technologies are increasingly prevalent, and many students have learning styles which are accustomed to taking advantage of those technologies when they are available.

Your Committee has amended this measure by:

- (1) Clarifying that digital versions are required only when such digital versions are available; 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. 2606, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2606, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Harimoto).

SCRep. 2057 Education on S.B. No. 2426

The purpose and intent of this measure is to ensure that financially disadvantaged students will not be denied school meals solely because of an inability to pay under certain circumstances.

Your Committee received testimony in support of this measure from the Department of Education; Hawaii State Teachers Association; United Public Workers, AFSCME Local 646, AFL-CIO; LGBT Caucus of the Democratic Party of Hawaii; Rainbow Family 808; and five individuals.

Your Committee finds that hungry students are under a dramatic disadvantage in regard to learning. Those students who are unable to pay for school meals frequently come from financially disadvantaged families, who may already struggle to provide nutritious meals for their children. The parents of such students often live paycheck-to-paycheck, and may occasionally not have sufficient funds to pay for school meals. Your Committee further finds that students should not be forced to compound financial hardship with hunger at school, and that such hunger places unnecessary obstacles in the path of the students' 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 is in accord with the intent and purpose of S.B. No. 2426 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, 2 (Dela Cruz, Harimoto).

SCRep. 2058 Education on S.B. No. 2797

The purpose and intent of this measure is to provide funding for start-up grants to assist newly approved pre-opening charter schools and allow those schools to meet the often prohibitive start-up costs associated with opening a school.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii Public Charter Schools Network, Kamehameha Schools, and one individual. Your Committee received testimony in opposition to this measure from IMUAlliance. Your Committee received comments on this measure from the Hawaii State Teachers Association.

Your Committee finds that certain Department of Education schools operate at full or near-full capacity, and struggle with severe overcrowding on campuses. These conditions make it difficult for such schools to provide an effective learning environment for their students. Newly approved pre-opening charter schools that meet the rigorous standards of the State Public Charter School Commission could help alleviate the overcrowding in certain non-charter public schools, but the start-up costs associated with opening a school are often prohibitively high. Start-up grants would facilitate approved pre-opening schools absorb those high start-up costs and consequently benefit all of Hawaii's public school 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. 2797 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Harimoto).

SCRep. 2059 Education on S.B. No. 2866

The purpose and intent of this measure is to increase the cap on the State Librarian's salary from \$120,000 per year to \$200,000 per year.

Your Committee received testimony in support of this measure from one individual.

Your committee finds that the current salary cap for the State Librarian is not consistent with the duties and responsibilities of the position, and not in alignment with national salary norms. Salaries of similar positions in other states with comparable budgets, population sizes, and number of employees are significantly greater than the salary cap of Hawaii's State Librarian. The statute governing the State Librarian's salary cap has not been amended since 2001, and the salary cap should be revised as a matter of equity, to at least account for cost of living increases.

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. 2866 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Dela Cruz, Harimoto).

SCRep. 2060 Judiciary and Labor on S.B. No. 2312

The purpose and intent of this measure is to redefine “sexual conduct” as that term is used in the offenses of promoting child abuse in the first, second, and third degrees.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; Police Department, City and County of Honolulu; The Sex Abuse Treatment Center; Women’s Caucus, Democratic Party of Hawai‘i; Hawaii Women’s Coalition; and two 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 Department of the Attorney General.

Your Committee finds that this measure amends the definition of “sexual conduct” under the offenses of promoting child abuse in the first, second, and third degrees to reflect similar terminology under federal law. This measure repeals references to “sexual penetration” under the definition of “sexual conduct” in sections 707-750, 707-751, and 707-752, Hawaii Revised Statutes (HRS). The Department of the Attorney General testified that the term “sexual penetration” as defined in section 707-700, HRS, has been used in local prosecutions and cited by state courts for many years. Although “sexual penetration” under section 707-700, HRS, substantively encompasses the federally derived statutory language proposed in this measure, it is your Committee’s intent that the language proposed by this measure add to and clarify the statutory tools available to law enforcement in combatting child abuse rather than create confusion or give rise to specious motions or dilatory procedural tactics in adjudication.

Based on testimony provided by the Department of the Attorney General and Department of the Prosecuting Attorney of the City and County of Honolulu, your Committee further finds that substituting the words “any person” for “a minor” in the definition of “sexual conduct” under sections 707-750, 707-751, and 707-752, HRS, may lead to unintended consequences. Lastly, your Committee agrees that use of the terms “homosexuality” and “lesbianism” is unnecessary in the current gender-neutral scheme of the Penal Code, and that their continued use may unfairly stigmatize certain relationships.

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 that reinstates “sexual penetration” and references to “a minor” rather than “any person” in the definition of “sexual conduct” under the offenses of promoting child abuse in the first, second, and third degrees;
- (2) Adopting the language suggested by the Department of the Prosecuting Attorney of the City and County of Honolulu that amends the definition of “sexual conduct” as applied to obscenity offenses to repeal references to homosexuality and lesbianism;
- (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. 2312, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2312, 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, 1 (Shimabukuro).

SCRep. 2061 Judiciary and Labor on S.B. No. 2723

The purpose and intent of this measure is to increase the maximum penalties for government contractors who violate the State’s wages and hours of employees on public works law to:

- (1) A penalty of not more than \$1,000 for a first offense; and
- (2) A penalty of ten percent of the contract amount for the second offense.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Pacific Resource Partnership, Hawaii Construction Alliance, Hawaii Regional Council of Carpenters, and one individual. Your Committee received testimony in opposition to this measure from the General Contractors Association of Hawaii and Subcontractors Association of Hawaii. Your Committee received comments on this measure from the Chamber of Commerce Hawaii.

Your Committee finds that the existing penalties for government contractors who violate the State’s wages and hours of employees on public works law, codified as chapter 104, Hawaii Revised Statutes, are insufficient in deterring certain contractors from underpaying employees. When contractors comply with chapter 104, Hawaii Revised Statutes, there is a level playing field for bidding on state and county projects. Implementation of this measure assists the Department of Labor and Industrial Relations in enforcing chapter 104, Hawaii Revised Statutes, and encourages government contractors to comply with the law.

Your Committee has amended this measure by:

- (1) Requiring a government contractor who violates chapter 104, Hawaii Revised Statutes, to pay a penalty that is equal to ten percent of the amount of back wages due or \$1,000 per offense, whichever is greater, for the first offense, rather than a penalty of not more than \$1,000;
- (2) Requiring a government contractor who violates chapter 104, Hawaii Revised Statutes, to pay a penalty equal to the amount of back wages due or \$10,000 for each offense, whichever is greater, for the second offense, rather than ten percent of the contract amount; 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. 2723, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2723, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Shimabukuro, Slom).

SCRep. 2062 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2152

The purpose and intent of this measure is to appropriate funds to support community resilience and preparedness programs.

Your Committee received testimony in support of this measure from the Department of Defense, Police Department of the City and County of Honolulu, Kailua Community Emergency Response Team, and four individuals.

Your Committee finds that emergency preparedness is an extremely important issue in Hawaii, particularly in light of the State's physical isolation. Emergency management personnel and other first responders could potentially be overwhelmed in the event of a large-scale disaster. Community resilience and preparedness programs provide a way for the public to coordinate with emergency service providers in preparing for, responding to, and recovering from disasters in the future.

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. 2152 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2063 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2480

The purpose and intent of this measure is to direct the Auditor to conduct an audit of certain correctional facility commissaries in the State.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons; The CHOW Project; Ho'omana Pono, LLC; and two individuals. Your Committee received comments on this measure from the Department of Public Safety and Office of the Auditor.

Your Committee finds that high prices at correctional facility commissaries are an ongoing issue in Hawaii. Incarcerated persons and their families frequently pay prices at commissaries that are much higher than prices for the same goods at retail stores. Your Committee further finds that an audit of correctional facility commissaries will help identify and eliminate instances of overcharging.

Your Committee has amended this measure by:

- (1) Changing the source of the appropriations to the general revenues of the State; 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. 2480, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2480, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2064 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2628

The purpose and intent of this measure is to establish a task force to consider long-term funding for the State Building Code Council and to appropriate funds to the Council for administrative staff and rulemaking expenses.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, State Building Code Council, Subcontractors Association of Hawaii, American Institute of Architects, and American Council of Engineering Companies of Hawaii. Your Committee received testimony in opposition to this measure from Building Industry Association – Hawaii.

Your Committee finds that the State Building Code Council was created to review and adopt the latest editions of nationally recognized building codes and standards for the State of Hawaii. The Council is made up of well qualified experts, but the work of the Council is hindered by the fact that its operating expenses have never been funded by the State. Your Committee further finds that timely updated building codes are in the public interest, and that providing support to the Council would further that interest.

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. 2628 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2065 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2629

The purpose and intent of this measure is to:

- (1) Create a Puuhonua Commission within the Department of Public Safety to assist formerly incarcerated persons to transition back into society in a beneficial way; and
- (2) Create a Puuhonua Commission Advisory Committee in each county to inform the Puuhonua Commission of the needs of probationers, parolees, and post-incarcerated persons within the county.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons; The Chow Project; Ho‘omana Pono, LLC; Blueprint for Change; and three individuals. Your Committee received comments on this measure from the Department of Public Safety and the Department of Budget and Finance.

Your Committee finds that the ancient Hawaiian concept of puuhonua, a place of refuge and healing, is applicable to formerly incarcerated persons re-integrating into society. Formerly incarcerated persons often face significant challenges, and lack of support can increase the likelihood of recidivism. The purpose of the Puuhonua Commission is to assist formerly incarcerated persons in transitioning into society in a healthy, responsible manner.

Your Committee has amended this measure by:

- (1) Changing the appointing authority of some members of the county Puuhonua Commission Advisory Committees from the Governor to the mayor of the appropriate county; 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. 2629, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2629, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2066 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2630

The purpose and intent of this measure is to:

- (1) Repeal the prohibition on the sale or offering of sale of goods produced pursuant to the Department of Public Safety’s correctional industries program;
- (2) Ensure that the correctional industries program is operated for employment training of inmates in the production of products and crafts for sale to the public and in providing labor services for the construction, repair, or maintenance of state, county, or federal equipment or real property;
- (3) Allow the Administrator of the correctional industries program to assess a reasonable charge for labor services provided by inmates; and
- (4) Require that the monies collected from the sale of products and crafts be deposited partially into the correctional industries revolving fund and partially into the committed person’s account.

Your Committee received testimony in support of this measure from the Department of Public Safety; the Community Alliance on Prisons; Ho‘omana Pono, LLC; and three individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the correctional industries program can provide inmates with the opportunity to develop valuable skills, support an attitude of responsibility, and, under this measure, enable inmates to repay personal debt incurred through incarceration. These opportunities are beneficial for committed persons during and after their incarceration. The ability to offer products and crafts for sale to the public will allow the program to foster those valuable skills and attitudes even more effectively.

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. 2630 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2067 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2631

The purpose and intent of this measure is to appropriate funds to the Department of Public Safety for the expansion of work furlough programs.

Your Committee received testimony in support of this measure from the Department of Public Safety; Community Alliance on Prisons; The CHOW Project; Ho‘omana Pono, LLC; and four individuals.

Your Committee finds that gradual re-entry into the community provides inmates with the best opportunity for success. Work furlough programs are extremely valuable for teaching inmates critical decision making and self-sufficiency skills, as well as helping former inmates find employment opportunities. Work furlough programs additionally reduce recidivism by preparing inmates for reintegration into the community and fostering in participants a sense of pride and responsibility. For these reasons, your Committee finds that supporting work furlough programs is in the public interest.

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. 2631 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2068 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2704

The purpose and intent of this measure is to provide an income tax exclusion for resident taxpayers who are on active military duty who are serving outside the State pursuant to orders.

Your Committee received testimony in support of this measure from the Department of Defense. 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 Tax Foundation of Hawaii.

Your Committee finds that military personnel on active duty frequently face financial hardships arising from obligations arising in the State while they are deployed outside the State, including the possibility of owing state income tax in multiple states simultaneously. This places an unnecessary burden on individuals who are already called upon to make significant sacrifices in service to the nation. Your Committee further finds that this measure will help to alleviate that unnecessary burden.

Your Committee has amended this measure by:

- (1) Incorporating language suggested by the Hawaii Department of Taxation; and
- (2) Making technical amendments to correctly reflect the language in the Hawaii Revised Statutes.

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. 2704, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2704, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2069 Human Services on S.B. No. 2879

The purpose and intent of this measure is to:

- (1) Update the statutory wording from “foster boarding home” to “resource family home” and from “foster parents” to “resource caregivers” in certain statutes;
- (2) Establish qualified immunity for resource caregivers and child caring institutions;
- (3) Add the requirement that resource caregivers and child care institutions use the reasonable and prudent parent standard when authorizing children in foster care to participate in activities; and
- (4) Change from sixteen to fourteen years the minimum age at which children in foster care are to be involved in their foster care plans.

Your Committee received testimony in support of this measure from the Department of Human Services; Effective Planning and Innovative Communication ‘Ohana, Inc.; Family Programs Hawaii; Hawai‘i Helping Our People Envision Success; and nine individuals. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that requiring resource caregivers to follow the reasonable and prudent parent standard ensures caregivers will make sound parental decisions that maintain the health, safety, and best interest of the child while at the same time allowing and encouraging growth and development. By providing qualified immunity from liability, resource caregivers will be more likely to allow children, under the reasonable and prudent parent standard, to participate in appropriate extracurricular, enrichment, cultural, and social activities. However, it is also important to maintain accountability and liability for caregivers whose actions are not protected by the qualified immunity. Your Committee finds that lowering the minimum age at which the foster child can be included in planning their care plan includes children earlier in the process of case planning and being informed of the rights and options available to them, which promotes a sense of control over their lives, strengthens their self-sufficiency, and better prepares them for a successful transition from foster care to independent living.

Your Committee has amended this measure by:

- (1) Inserting language to exempt unreasonable, negligent, grossly negligent, and intentional acts or omissions from the immunity of liability provided in this measure, so as to protect foster children from such conduct;
- (2) In sections 587A-31(c) and 587A-32(a), Hawaii Revised Statutes, deleting the term “successful adulthood” and reverting back to “independent living”, as “independent living” is a legal term of art consistently used by federal and state entities; 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2879, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2879, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2070 Human Services on S.B. No. 2227

The purpose and intent of this measure is to appropriate funds for subsidies for the preschool open doors program.

Your Committee received testimony in support of this measure from the Executive Office on Early Learning, Family Programs Hawaii, Family Support Hawaii, and Hawaii Children's Action Network. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that preschool open doors program subsidies enable children without adequate financial means to attend preschool. For the 2015-2016 year, the preschool open doors program received 2,123 applications, and 1,158 children were enrolled at 256 preschools throughout the State. Early childhood education is important because it has been shown to improve school performance, raise math and language abilities, sharpen thinking and attention skills, reduce special education placement, and lower school dropout rates. Investing in children's futures is of the utmost importance.

Your Committee supports the Governor's supplemental budget request of \$6,000,000 for preschool open doors program child care subsidies and \$198,773 for administrative costs that includes one full-time equivalent position and related costs in administering the program.

Accordingly, your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$6,000,000 for subsidies for the preschool open doors program; and
- (2) Inserting an additional appropriation of \$198,773 to establish one new position in the Department of Human Services and for related costs in administering the preschool open doors program.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2227, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2227, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2071 Commerce, Consumer Protection, and Health on S.B. No. 2678

The purpose and intent of this measure is to establish a Board of Dental Hygienist Examiners to oversee the licensing and regulation of dental hygienists in the State, independent from the Board of Dental Examiners.

Your Committee received testimony in support of this measure from the School of Nursing and Dental Hygiene, University of Hawai'i at Manoa; Hawaii Dental Hygienists' Association; and twenty-seven individuals. Your Committee received testimony in opposition to this measure from the Hawaii Dental Association and one individual. Your Committee received comments on this measure from the Board of Dental Examiners.

Your Committee finds that dental hygienists are preventative oral health professionals, licensed in the practice of dental hygiene, who provide educational, clinical, and therapeutic services and play an integral role in meeting consumers' oral health care needs. Furthermore, the dental hygienist profession continues to evolve due to integration of oral health into overall health, technological advances, health care reform strategies, and a continuing commitment to serving the health needs of the public. Dental hygienists, as educated, licensed professionals, are great assets to the community with a keen interest in promoting public health.

Your Committee further finds that the unique and valuable perspective of dental hygienists is currently underrepresented on the Board of Dental Examiners, with the current ratio being eight dentists to two dental hygienists. Accordingly, this measure proposes the establishment of a separate board to regulate and oversee dental hygienists in the State. A separate board would allow licensed dental hygienists to protect the health, safety, and welfare of the public by ensuring only dental hygienists who are licensed and qualified are permitted to treat patients in Hawaii.

Your Committee has amended this measure by:

- (1) Amending the name of the new board proposed by this measure to the Board of Dental Hygiene, to more accurately reflect the intent of the proposed board;
- (2) Clarifying that the composition of the Board of Dental Hygiene shall include, in addition to four dental hygienists, one dentist and two public members;
- (3) Specifying that no person shall employ, direct, or otherwise order a dental assistant or other person to perform services or procedures within the scope of practice of dental hygiene, unless the person who performs the services or procedures is a licensed dental hygienist;
- (4) Removing language that inadvertently gave the Board of Dental Hygiene the authority to revoke a dentist's license in certain circumstances, as the authority over dentists' licenses should remain with the Board of Dental Examiners;
- (5) Inserting an effective date of July 1, 2016, and providing that the initial appointments to the Board of Dental Hygiene shall be made by October 1, 2016, with the first meeting of the Board to be held in November 2016; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2678, as amended herein, and recommends

that it pass Second Reading in the form attached hereto as S.B. No. 2678, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2072 Commerce, Consumer Protection, and Health on S.B. No. 2315

The purpose and intent of this measure is to exempt from jury duty mothers who breastfeed or express breast milk; provided that this exemption shall end when a mother is no longer breastfeeding or expressing breast milk.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; Breastfeeding Hawaii; Planned Parenthood Votes Northwest and Hawaii; American Association of University Women-Hawaii; Hawaii State Coalition Against Domestic Violence; Healthy Mothers, Healthy Babies; and two individuals.

Your Committee finds that breastfeeding has been shown to be beneficial for mothers and their infants. However, for many mothers, breastfeeding can be difficult to begin and hard to maintain. Multiple barriers also exist for women who wish to continue breastfeeding. Your Committee further finds that jury duty can be burdensome to breastfeeding mothers, as mother-child separation creates a serious challenge to continued breastfeeding. Women who serve on a jury may also lack access to a clean, private space to express breast milk. Your Committee additionally finds that supportive policies can help women continue breastfeeding. The jury duty exemption for breastfeeding mothers, as proposed by this measure, is one such policy that can support and benefit breastfeeding mothers and their children.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2315, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2315, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2073 Water, Land, and Agriculture on S.B. No. 2217

The purpose and intent of this measure is to appropriate funds for the operation, repair, maintenance, and improvement of the East Kauai irrigation system by the East Kauai Water Users' Cooperative.

Your Committee received testimony in support of this measure from the Department of Agriculture; University of Hawai'i System; East Kauai Water Users' Cooperative; Saiva Siddhanta Church; Kalepa Coalition; Hawai'i Farm Bureau; Larry Jeffs Farms, LLC; Hawaii Cattlemens Council; and three individuals.

Your Committee finds that reliable irrigation systems are the lifelines of Hawai'i's agricultural community. 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 inserting an appropriation amount of \$75,000.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2217, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2217, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2074 (Majority) Water, Land, and Agriculture on S.B. No. 2440

The purpose and intent of this measure is to create an exclusion from income tax for the first \$50,000 of income earned by farmers whose annual gross income is \$200,000 or less.

Your Committee received testimony in support of this measure from the Hawai'i Farm Bureau, Hawaii Cattlemens Council, and one individual. Your Committee received comments on this measure from the Department of Agriculture, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that the growth of small, diversified farming businesses adds to and diversifies Hawai'i's economy. Your Committee finds that the creation of an exclusion from income tax for the first \$50,000 of income earned for such businesses will encourage the growth of new, small, and diversified farming businesses, will not significantly affect tax collections by the State, and will improve the long-term economic well-being of the State.

Your Committee has amended this measure by:

- (1) Deleting the word "annual" from the term "annual gross income";
- (2) Amending the term "farmer" to include gross income from the sale of farm products to customers in any location; and
- (3) Defining the term "farm products" as production from agricultural activities described in section 205-4.5(a)(1), (2), and (3), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2440, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2440, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Thielen). Noes, 1 (Wakai). Excused, 2 (Dela Cruz, Slom).

SCRep. 2075 Water, Land, and Agriculture on S.B. No. 2137

The purpose and intent of this measure is to establish an on-farm mentoring program within the Department of Agriculture to encourage the development and implementation of a whole farm system approach to agriculture, to improve food security and self-sufficiency in the State.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Hawaii Farmers Union United, Hawai'i Farm Bureau, Maui Farmers Union United, Hawaii Tropical Fruit Growers, Farm Lovers Farmers Markets, and seven individuals. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that a whole farm system approach to agriculture can improve food security and benefit the local economy through the reduction of production costs and promotion and manufacture of locally sourced inputs. Teaching a new generation of farmers to use a whole farm system approach will create an alternative method of farming that appeals to many young farmers across the State. Your Committee further finds that the farming community of Hawaii contains institutional knowledge of great value to new and future generations of farmers; however, Hawaii's farmers are aging and if opportunities are not created for experienced farmers to pass on their knowledge to new farmers, much knowledge will be lost. Your Committee therefore finds that on-farm mentoring programs benefit the State and the farming community by creating opportunities for experienced farmers to work with and educate new farmers working directly on the farm.

Your Committee has amended this measure by:

- (1) Deleting language to remove the grant provision portion of the on-farm mentoring program;
- (2) Amending the appropriation to be an appropriation of general funds to the Department of Agriculture to support existing on-farm mentoring programs and for a pilot program in Maui, rather than a grant to existing on-farm mentoring programs; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2137, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2137, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2076 Water, Land, and Agriculture on S.B. No. 2803

The purpose and intent of this measure is to provide additional funding to the state agricultural loan program in order to meet the demand of a growing agricultural sector.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawai'i Farm Bureau, and Hawaii Cattlemens Council.

Your Committee finds that increased funding to the state agricultural loan program will allow for additional farming operations due to the recent purchase of the Galbraith lands and other state projects statewide. With additional resources, the State will be able to continue its growth of import replacement and food sustainability.

Your Committee has amended this measure by:

- (1) Inserting a new section to appropriate funds out of the agricultural loan revolving fund; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2803, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2803, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2077 Judiciary and Labor on S.B. No. 2314

The purpose and intent of this measure is to make a person ineligible for a deferred acceptance of guilty plea or nolo contendere plea in cases where the person was originally charged with the offense of abuse of a family or household member and the charge is subsequently reduced to a lesser included offense.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney, County of Maui; Hawaii State Coalition Against Domestic Violence; Domestic Violence Action Center; League of Women Voters of Hawaii; and Hawaii Women's Coalition. 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 Office of the Prosecuting Attorney, County of Kauai. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that defendants charged with the offense of abuse of a family or household member are not eligible for a deferred acceptance of guilty plea or deferred acceptance of nolo contendere plea. However, defendants originally charged with this offense have the option of pleading to a lesser included offense, such as assault or harassment that does not involve a family or household member. As a result, defendants are eligible for a deferred acceptance of guilty plea or deferred acceptance of nolo contendere plea. This measure prohibits defendants from pleading to a lesser included offense of the offense of abuse of a family or household member to ensure that perpetrators of domestic abuse are held accountable for their actions.

Your Committee notes the concerns raised by the Department of the Prosecuting Attorney of the City and County of Honolulu that this measure may strain existing judicial resources to maintain an adequate domestic abuse jury trial docket. Your Committee further notes that the Judiciary, which currently provides only two courtrooms capable of handling a maximum of two jury trials per week, would require additional resources if this measure is enacted. Accordingly, your Committee has requested information from the Department of the Prosecuting Attorney of the City and County of Honolulu regarding the number of instances in which the original charge of abuse of a family or household member was pled to a lesser included offense and granted a deferred acceptance plea.

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. 2314, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2314, 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, 1 (Shimabukuro).

SCRep. 2078 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2324

The purpose and intent of this measure is to amend the composition of county police commissions to require that there are commissioners on each commission who have experience or backgrounds in women's issues, civil rights, and law enforcement.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Hawaii State Coalition Against Domestic Violence, Remington College Criminal Justice, and sixteen individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that certain high-profile incidents involving law enforcement officers in Hawaii have generated concern about the way police departments in the State handle domestic violence cases. The conduct of police officers is overseen by the county police commissions. Amending the composition of police commissions to include commissioners with backgrounds in women's issues, civil rights, and law enforcement will improve the manner in which the commissions respond to domestic violence concerns within the police departments. Although your Committee recognizes that this issue is important and a matter of public concern, this measure requires further discussion and consideration.

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. 2324, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2324, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2079 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2364

The purpose and intent of this measure is to specify 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 shall not be 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, Hawaii State Coalition Against Domestic Violence, Hawaii Women's Coalition, Hawaii State Democratic Women's Caucus, and one individual. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that high-profile incidents involving law enforcement officers in the State highlight the need to ensure that a citizen who has experienced abuse by a police officer who has a certain relationship with the citizen is able to report that abuse in a safe and secure manner. This need is especially prevalent in incidents of domestic violence involving law enforcement officers. Although the issue of risk or apprehension on the part of individuals bringing domestic violence complaints against law enforcement officers is serious and urgent, this measure requires further discussion and consideration.

Your Committee has therefore 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. 2364, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2364, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2080 Hawaiian Affairs on S.B. No. 2125

The purpose and intent of this measure is to provide the Office of Hawaiian Affairs with the right of first refusal for any disposition of public lands classified as remnants.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Department of Transportation, Aha Moku Advisory Council, The Trust for Public Land, Association of Hawaiian Civic Clubs, Sierra Club of Hawaii, and thirteen 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 Department of Land and Natural Resources.

Your Committee has heard the testimony of the Department of Land and Natural Resources expressing concerns that the content in section 1 of this measure is inflammatory.

Accordingly, your Committee has amended this measure by:

- (1) Removing the content in the purpose section that the Department of Land and Natural Resources has objected to; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee has also heard the testimony of the Department of Land and Natural Resources expressing concern about the language in section 2 of this measure relating to the reasonable purchase price of easements. Your Committee finds that this issue raises a concern that merits further consideration and requests that your Committee on Ways and Means 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 Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2125, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2125, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 2081 Transportation and Energy on S.B. No. 2381

The purpose and intent of this measure is to make an appropriation for design, permitting, and maintenance dredging for the Kihei Boat Harbor.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Aha Moku Advisory Committee.

Your Committee finds that small boat harbors in Hawaii play an important role in the ocean recreational experiences of residents and visitors. Such experiences include yacht racing, canoe regattas, board sailing, ocean swimming, fishing, and surfing. The quality of ocean recreation experiences may be diminished by the inadequate upkeep of the State's boating facilities.

Your Committee further finds that despite the State's efforts to dredge the channel entrance and turning basin of Kihei Boat Harbor in 2007, launching and vessel retrieval problems continue to persist, creating unsafe conditions during certain ocean conditions.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2381 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2082 Transportation and Energy on S.B. No. 2246

The purpose and intent of this measure is to repeal the provision regarding refusal to submit to a breath, blood, or urine test for those arrested for the use of intoxicants while operating a vehicle.

Your Committee received testimony in support of this measure from the Department of Transportation, City and County of Honolulu Police Department, and County of Maui Department of the Prosecuting Attorney.

Your Committee finds that this measure brings Hawaii law into compliance with the Hawaii Supreme Court ruling in *State v. Yong Shik Won*, 136 Hawaii 292 (2015). In that case, the Court ruled that section 291E-68, Hawaii Revised Statutes, is unconstitutional because it prescribes a petty misdemeanor penalty for refusal to submit to a breath, blood, or urine test. The criminal penalty of a petty misdemeanor tends to negate any voluntary choice by the driver because there is an element of coercion. In the *Yong Shik Won* case, the Court ruled that, [h]ere, "because voluntary consent has not been demonstrated and no other exception to the warrant requirement is applicable, the result of Won's breath test, the product of the warrantless search, is not admissible into evidence."

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2246 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2083 Transportation and Energy on S.B. No. 2618

The purpose and intent of this measure is to require the Department of Transportation to conduct a feasibility study of establishing an interisland ferry system and make an appropriation for the study.

Your Committee received testimony in support of this measure from the Department of Transportation and two individuals. Your Committee received testimony in opposition to this measure from Aloha Analytics and one individual.

Your Committee finds that Hawaii does not enjoy the benefit of being linked to other states, cities, or towns via the federal interstate highway system or a network of interconnected state and local highways. Air transportation is currently the only efficient means of travel between Hawaii's major islands. An interisland ferry system can serve as an efficient alternative for transporting passengers, cargo, farm produce, and motor vehicles.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2618 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2084 Transportation and Energy on S.B. No. 3048

The purpose and intent of this measure is to make an appropriation for a grant-in-aid to W.H. Shipman, Ltd., for traffic plans and traffic lights in the Shipman Business Park.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that the Department of Transportation, Highways Division will assist W.H. Shipman, Ltd., with technical support during the design and construction processes, including overseeing the project construction where it encroaches into or impacts operations of the state highway right-of-way in accordance with approved documents. According to testimony, the grantee will be responsible for all permitting, contracting, expenditures, accounting, and reconciliation of state funds.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3048 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2085 Transportation and Energy on S.B. No. 2931

The purpose and intent of this measure is to:

- (1) Expand the authority of the Director of Transportation over required motor vehicle and motor carrier vehicle inspections in the State; and
- (2) Reduce the amount of insurance information required on an inspection certificate.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that this measure provides the Director of Transportation greater authority over the motor vehicle inspection program so that the cost to a vehicle owner for an inspection, the fees collected from inspection stations, and the administration of the program can be changed by amending administrative rules rather than amending statutes. The current system of state motor vehicle inspections is inefficient in that legislation needs to be passed each time an inspection fee is changed.

The measure also deletes all of the insurance information required to be placed on an inspection certificate except the insurance expiration date. With the implementation of an electronic inspection form program, digital images of insurance cards can be made and stored by inspection stations. The image is easily retrievable if an inspector is suspected of not checking the card or accepting a fraudulent card. Placing only the expiration date on the inspection certificate minimizes the data entry required by inspectors while providing the most important data on the certificate.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2931, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2931, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2086 Ways and Means on S.B. No. 2922

The purpose and intent of this measure is to enable the Tax Review Commission to carry out its mandate of evaluating the State's tax structure and recommending revenue and tax policy.

Specifically, this measure:

- (1) Extends the reporting date of the 2015-2017 Tax Review Commission to thirty days prior to the convening of the regular legislative session of 2018; and

- (2) Appropriates \$250,000 for the Tax Review Commission for fiscal year 2016-2017.

Your Committee received written testimony in support of this measure from the Department of Taxation. The Tax Foundation of Hawaii submitted written comments on this measure.

Your Committee finds that a Tax Review Commission is appointed every five years to review the State's tax structure and make related recommendations to the Legislature thirty days prior to the second regular legislative session following the appointment of the Commission. The most recent Tax Review Commission was required to have been appointed by July 1, 2015, and to submit its report to the Legislature in December 2016, pursuant to section 232E-3, Hawaii Revised Statutes. However, as of December 31, 2015, none of the Tax Review Commission members had been appointed.

Your Committee finds that this bill effectively permits the appointment of a Tax Review Commission in 2016 instead of 2015. Your Committee further finds that the date by which the Tax Review Commission shall submit its report to the Legislature should be extended to thirty days prior to the convening of the Regular Session of 2018. Your Committee further finds that an appropriation of \$250,000 should be made for the Tax Review Commission to carry out its mandate of evaluating the State's tax structure and recommending revenue and tax policy.

Your Committee intends that this bill be passed by the Legislature and enacted into law as soon as possible. Concurrent with the movement of this bill through the legislative process during the 2016 Regular Session, your Committee urges the Governor to submit nominees to the Senate in anticipation of enactment of this bill. Your Committee intends that the Senate consider the nominees for advice and consent while this bill moves through the legislative process. This concurrent process, your Committee hopes, will result in the appointment of commission members before the adjournment sine die of the 2016 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. 2922 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, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Riviere).

SCRep. 2087 Water, Land, and Agriculture on S.B. No. 2271

The purpose and intent of this measure is to make an appropriation for research and mitigation efforts to address rapid ohia death disease in the State and require the Department of Agriculture to report on the nature of the disease and actions taken and resources needed to mitigate the disease.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Coordinating Group on Alien Pest Species, O'ahu Invasive Species Committee, Council District 8 of the Hawai'i County Council, Kaua'i Watershed Alliance, West Maui Mountains Watershed Partnership, Conservation Council for Hawai'i, The Nature Conservancy, Hawaii Farm Bureau, Big Island Invasive Species Committee, University of Hawai'i System, Hawaii Crop Improvement Association, Sierra Club of Hawai'i, and eighty-one individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that ohia makes up about fifty per cent of the State's native forest and is a keystone species in native watershed areas. Rapid ohia death disease is devastating thousands of acres of native forest on the island of Hawaii. Your Committee further finds that rapid ohia death disease is a critical threat to the State's native forests, it is crucial that funds are directed to address this issue.

Your Committee has noted the testimonies of the Department of Agriculture and Department of Land and Natural Resources and finds that the Department of Land and Natural Resources is better suited to carry out the requirements of this measure.

Your Committee has therefore amended this measure by:

- (1) Replacing the Department of Agriculture with the Department of Land and Natural Resources as the responsible agency for the report required by this measure and as the recipient and expending agency for the appropriation; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2271, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2271, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2088 Water, Land, and Agriculture on S.B. No. 2800

The purpose and intent of this measure is to establish in the Agribusiness Development Corporation a grant program to provide financial support for agriculture-related improvements to existing and emerging farms and agribusiness operations.

Your Committee received testimony in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, Hawai'i Farm Bureau, and one individual.

Your Committee finds that the ability for the Agribusiness Development Corporation to issue grants will provide the means to assist local farming operations, make investments to strengthen and diversify Hawaii's agriculture, attract and retain businesses, and streamline the Corporation's operations. Your Committee further finds that a grant program may help foster partnerships to facilitate agribusiness projects and help grow Hawaii's agriculture industry.

Your Committee has amended this measure by;

- (1) Deleting language that would have set a limit on the dollar amount of the grant awarded per qualified person per year;
- (2) Inserting language to require the Agribusiness Development Corporation to prioritize grants relating to food production;
- (3) Inserting language to require the Agribusiness Development Corporation to submit an annual report on the grant program 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2800, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2800, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Ruderman, Wakai).

SCRep. 2089 Water, Land, and Agriculture on S.B. No. 2804

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Big Island Dairy LLC as an agricultural enterprise.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Farm Bureau; Hawaii Foodservice Alliance LLC; Big Island Dairy LLC; Ulupono Initiative; Hawaii Cattlemen's Council, Inc.; and two individuals. Your Committee received 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 Big Island Dairy LLC to finance, refinance, and reimburse costs related to the planning, design, and construction of a new milk processing facility in the State. 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.

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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2804, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2804, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2090 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2193

The purpose and intent of this measure is to define "person in custody" as used in the offenses of sexual assault in the second degree and third degree to explicitly prohibit certain persons from knowingly subjecting a person who is stopped by or under the control of a law enforcement officer to sexual penetration or sexual contact, respectively.

Your Committee received testimony in support of this measure from the Department of Public Safety, Department of the Prosecuting Attorney for the City and County of Honolulu, Sex Abuse Treatment Center, and one individual. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney for the County of Maui.

Your Committee finds that a recent, well-publicized case in which a law enforcement officer initiated inappropriate sexual contact on a motorist during a traffic stop highlights the need for clarity in the definition of the term "person in custody". The proposed new definition would broaden the definition of the term and clarify the range of its potential interpretations.

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. 2193, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2193, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2091 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2195

The purpose and intent of this measure is to:

- (1) Require the Director of Public Safety to annually submit to the Legislature and post on its public website reports on misconduct incidents that resulted in suspension or discharge of a sheriff or deputy sheriff; and
- (2) Require county police chiefs' annual reports regarding misconduct incidents that resulted in suspension or discharge of a police officer to be posted on the respective county police department's public website.

Your Committee received testimony in support of this measure from the Department of Public Safety; Ho'omana Pono, LLC; American Civil Liberties Union of Hawaii; Civil Beat Law Center for the Public Interest; Hawaii State Coalition Against Domestic Violence; and five individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney of the County of Maui.

Your Committee finds that the mission of law enforcement to serve and protect the public would benefit from timely, consistent exposure and correction of misconduct and that this measure would increase transparency and accountability of state and county law enforcement agencies.

Your Committee has amended this measure by:

- (1) Replacing references to the individuals whose misconduct triggers the reporting requirements under this measure with references to employees having police powers; 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. 2195, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2195, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2092 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2321

The purpose and intent of this measure is to require training on domestic violence intervention for state and county employees who act as interveners in domestic violence situations.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Family Support Hawaii, Hawaii State Coalition Against Domestic Violence, American Association of University Women Hawaii, Domestic Violence Action Center, Hawaii Women's Coalition, Hawai'i State Democratic Women's Caucus, Parents and Children Together, and four individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu and Department of the Prosecuting Attorney of the County of Maui. Your Committee received comments on this measure from the State Fire Council, Fire Department of the County of Kaua'i, and Honolulu Emergency Services Department.

Your Committee finds that domestic violence is a serious social issue in Hawaii. State and county employees, including law enforcement officers, emergency medical services personnel, firefighters, and judges, can encounter domestic violence situations in the course of their duties. Domestic violence situations are often complex, sensitive, and difficult to handle effectively. It is appropriate and in the public interest to require state and county employees who may encounter domestic violence situations in the course of carrying out their regular duties to receive training on how to properly intervene in such situations.

Your Committee has amended this measure by:

- (1) Changing the required number of hours of training from fifteen to eight;
- (2) Adding a new section appropriating funds to be expended by the Department of Public Safety for the purpose of providing domestic violence intervention training; and
- (3) Changing the effective date to July 1, 2016.

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. 2321, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2321, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2093 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2912

The purpose and intent of this measure is to amend chapter 353E, Hawaii Revised Statutes, to reflect nationally recognized best practices in the statewide integrated program for sex offenders, exempt the program from Sunshine requirements, and to identify the coordinating body for the sex offender treatment program as the "sex offender management team".

Your Committee received testimony in support of this measure from the Department of Public Safety and Judiciary. Your Committee received comments on this measure from the Civil Beat Law Center of the Public Interest.

Your Committee finds that the complex nature of sexual offending and the harm it has on victims necessitate implementation of nationally recognized best practices for sex offender management. Implementation of these practices will help ensure the safety of the community while facilitating treatment of offenders. The clarifying language of this measure will empower the State to enact that implementation.

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. 2912, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2912, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2094 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3016

The purpose and intent of this measure is to repeal the confidentiality protection afforded under the Uniform Information Practices Act for certain information regarding misconduct of police officers that results in suspension.

Your Committee received testimony in support of this measure from the Department of Human Resources Development, Office of Information Practices, Hawaii State Coalition Against Domestic Violence, The Civil Beat Law Center for Public Interest, and ten individuals. Your Committee received testimony in opposition to this measure from the State of Hawaii Organization of Police Officers.

Your Committee finds that full and fair public disclosure of police misconduct is beneficial to law enforcement agencies and departments in their service to the public. For that reason, exemptions to disclosure must be carefully scrutinized to ensure that the interests that they further are not outweighed by the public interest in transparency. Although your Committee recognizes the importance of this issue, further discussion and examination are required.

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. 3016, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3016, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2095 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2366

The purpose and intent of this measure is to require certain law enforcement agencies and departments to compile information on untested sexual assault collection kits and transmit that information to the Department of the Attorney General.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Honolulu Police Department, Hawaii Women's Coalition, Planned Parenthood Votes Northwest and Hawaii, and Hawai'i State Democratic Women's Caucus. Your Committee received comments on this measure from one individual.

Your Committee finds that there exists a nationwide problem of sexual assault collection kits going untested. Thorough, timely, and accurate testing of sexual assault collection kits is vital to successful apprehension and conviction of offenders. To facilitate more universal testing of such kits, the Attorney General should be kept apprised of the number of untested kits in the possession of law enforcement agencies and 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. 2366 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Baker).

SCRep. 2096 Commerce, Consumer Protection, and Health on S.B. No. 2864

The purpose and intent of this measure is to:

- (1) Permit the Hawaii Medical Board to impose the same disciplinary action against a physician licensed in Hawaii as was taken by another state or federal agency;
- (2) Establish conditions for the disciplinary action; and
- (3) Prohibit a licensee from practicing in Hawaii until a final order of discipline is issued, if the licensee has been prohibited from practicing in another state.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Hawaii Medical Board, Hawaii Medical Service Association, and Hawaii Medical Association.

Your Committee finds that under existing law, the reasons for which the Hawaii Medical Board can impose reciprocal discipline on a Hawaii licensee are limited. Accordingly, this measure will expedite the disciplinary process when a Hawaii licensee is disciplined by another state or a federal agency. This measure will also protect Hawaii consumers during the disciplinary process by prohibiting a licensee who has been banned from practicing in another jurisdiction from practicing in Hawaii until the Hawaii Medical Board issues a final order. This protection ensures that Hawaii patients will not be at risk of receiving medical treatment from a licensee who was the subject of serious discipline elsewhere.

Your Committee further finds that according to the Federation of State Medical Boards, the number of reciprocal disciplinary actions imposed by state medical boards against physicians licensed in another state has increased measurably within the last several years. This measure will enable the Hawaii Medical Board to keep pace with its counterparts nationwide and enable the Board to timely and appropriately respond to disciplinary actions taken elsewhere against Hawaii licensees.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2864 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2097 Commerce, Consumer Protection, and Health on S.B. No. 2670

The purpose and intent of this measure is to reduce the surcharge on the license and renewal fee for behavior analysts from \$100 to \$50.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs and one individual.

Your Committee finds that the initial costs for behavior analyst licensure and the annual fees to maintain this license can total over \$1,000; these amounts can be significant to behavior analysts, many of whom are paid hourly with minimal benefits. Accordingly, your Committee finds that reducing the surcharge on the license and renewal fee for behavior analysts, as proposed by this measure, will ease the financial burden of behavior analyst licensing, encourage the licensure of behavior analysts, and increase the number of licensed behavior analysts available to the public.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2670 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2098 Commerce, Consumer Protection, and Health on S.B. No. 2240

The purpose and intent of this measure is to make an appropriation to the Department of Health to hire more vector control employees and reestablish a vector control branch.

Your Committee received testimony in support of this measure from the Department of Health; Department of Defense; Hawaii Emergency Management Agency; Department of Emergency Management, City and County of Honolulu; Big Island Invasive Species Committee; Kauai Invasive Species Committee; Oahu Invasive Species Committee; Hawaii Farm Bureau; and nine individuals.

Your Committee finds that vector control is necessary to control the spread of animals that have the potential to carry disease, from rodents to insects, including mosquitoes. However, the Department of Health currently has no vector control branch, and its vector control unit suffered severe funding cuts several years ago.

Your Committee further finds that the current outbreak of dengue fever and growing global concern over the spread of zika virus necessitate an appropriation to the Department of Health to hire more vector control employees and reestablish a vector control branch. By fully reestablishing the vector control branch, the State will be able to more effectively manage virus outbreaks and other newly emerging public health threats.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2240 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2099 Commerce, Consumer Protection, and Health on S.B. No. 2285

The purpose and intent of this measure is to appropriate funds to continue the operations of the Statewide Language Access Resource Center and multilingual website pilot project within the Office of Language Access.

Your Committee received testimony in support of this measure from the Office of Language Access, Hawaii Filipino Lawyers Association, and two individuals.

Your Committee finds that the Statewide Language Access Resource Center and the multilingual website pilot project, established pursuant to Act 217, Session Laws of Hawaii 2013, provide meaningful access to important state and state-funded benefits and services to persons who have a limited ability to read, write, speak, or understand English. While the establishment of the Statewide Language Access Resource Center and the multilingual website pilot project was undertaken by the Office of Language Access with advance preparation, the implementation of the pilot project was delayed due to unforeseen challenges associated with the transfer of the Office of Language Access from the Department of Labor and Industrial Relations to the Department of Health pursuant to Act 201, Session Laws of Hawaii 2012.

Your Committee further finds that more funding is necessary to maintain and continue the services for limited English proficient individuals through the Statewide Language Access Resource Center and the multilingual website pilot project.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2285 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Nishihara).

SCRep. 2100 Commerce, Consumer Protection, and Health on S.B. No. 2775

The purpose and intent of this measure is to authorize the State to submit and implement 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 Office of the Governor, Department of Commerce and Consumer Affairs, Department of Labor and Industrial Relations, Hawaii Medical Service Association, The Queen's Health Systems, Healthcare Association of Hawaii, Chamber of Commerce Hawaii, Planned Parenthood Votes Northwest and Hawaii, and International Longshore and Warehouse Union Local 142.

Your Committee finds that section 1332 of the Affordable Care Act authorizes states to apply for a state innovation waiver, which will allow a state to implement innovative ways to provide access to quality health care. Hawaii has a long and successful history of health care coverage for the State's residents, due in large part to the Prepaid Health Care Act of 1974 (Prepaid Health Care). However, the benefits and coverage under Prepaid Health Care are more generous than the employer-sponsored benefits available under the Affordable Care Act. Your Committee further finds that the misalignment of provisions under the Affordable Care Act and Prepaid Health Care jeopardizes the robust insurance coverage that thousands of employees across the State have depended on for over forty years. A waiver from certain provisions of the Affordable Care Act, to align Affordable Care Act provisions with Prepaid Health Care's long-standing insurance requirements and processes, is therefore of crucial importance to Hawaii.

Your Committee additionally finds that the Legislature created a task force in 2014 to develop an Affordable Care Act State Innovation Waiver. The task force recommends waiving seven provisions of the Affordable Care Act, which will result in maintaining employer-sponsored benefits that conform to Prepaid Health Care and allowing Hawaii to forego either developing and maintaining a Small Business Health Insurance Options Program or participating in such an exchange hosted by the federal government.

Finally, your Committee notes that section 1332 of the Affordable Care Act requires state legislatures to sanction the application and implementation of a state innovation waiver. Accordingly, this measure authorizes the State to submit a state innovation waiver proposal to the United States Secretaries of Health and Human Services and the Treasury and implement the waiver upon approval by the Secretaries.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2775 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 2101 Commerce, Consumer Protection, and Health on S.B. No. 2858

The purpose and intent of this measure is to clarify that the State is not subject to a statute of limitations period for claims pursuant to chapter 480, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and the Hawaii Association for Justice.

Your Committee finds that Hawaii common law has long recognized that statutory limitations do not apply to actions initiated by the State. The Legislature codified this longstanding common law rule in 1991. Although section 480-24(b), Hawaii Revised Statutes, contains a tolling provision for claims brought by the State, the codification of the common law rule that the State is not subject to statutes of limitations made the pre-existing tolling language in this section superfluous. Your Committee further finds that the Legislature has made it clear that unless there is a specific designation in statute stating that a statute of limitations applies to actions initiated by the State, none exists. Since no specific designation appears in section 480-24(b), Hawaii Revised Statutes, the repeal of the tolling language in this section is appropriate and necessary.

Finally, your Committee notes that chapter 480, Hawaii Revised Statutes, relating to monopolies and restraints of trade, is one of the most important statutory tools given to the State to protect the people of Hawaii. This measure preserves the right of the State to seek redress for harm done and deter future bad conduct by persons who would seek to take unfair advantage of Hawaii consumers.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2858 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2102 Commerce, Consumer Protection, and Health on S.B. No. 2856

The purpose and intent of this measure is to clarify the scope of powers of the Office of Consumer Protection investigators.

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 when section 487-10, Hawaii Revised Statutes, was originally enacted in 1969, only police officers or sheriffs were legally authorized to serve legal documents in Hawaii. As a result, the Legislature decided to explicitly provide police powers to Office of Consumer Protection investigators, so they could also serve subpoenas and service of process. However, as service of these documents is no longer restricted to police officers and sheriffs, it is no longer appropriate or necessary to extend such broad authority to Office of Consumer Protection investigators. This measure therefore clarifies that the power and authority of Office of Consumer Protection investigators under section 487-10, Hawaii Revised Statutes, pertains to the service of process and service of subpoenas.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2856 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2103 Commerce, Consumer Protection, and Health on S.B. No. 2859

The purpose and intent of this measure is to increase the minimum balance that shall be retained in the public utilities commission special fund at the end of each fiscal year from \$1,000,000 to \$3,000,000.

Your Committee received testimony in support of this measure from the Public Utilities Commission.

Your Committee finds that the public utilities commission special fund is the sole source of funding for the operations of the Public Utilities Commission (Commission) and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs. On each June 30, the end of the fiscal year, all monies in excess of \$1,000,000 remaining in the public utilities commission special fund lapse to the credit of the general fund.

Your Committee further finds that the public utilities commission special fund carryover balance was established more than twenty years ago. However, because the complexity and size of the Commission's workload have drastically increased over time, the carryover balance is now insufficient to meet the Commission's current start-of-year financial obligations. For example, from June 30, the end of the fiscal year, to July 31, when the first public utility fee deposit is due, the Public Utilities Commission may only have access to \$1,000,000 of its total statutory appropriations. However, according to testimony from the Commission, in 2015, the Commission's start-of-year financial obligations included statutorily required transfers of \$1,039,785 to the Division of Consumer Advocacy, \$189,761 to the Department of Commerce and Consumer Affairs, and \$888,539 for the Commission's payroll and other operating expenses.

This measure increases the public utilities commission special fund carryover balance to \$3,000,000, which will ensure that the Commission is able to meet its financial obligations in a timely manner and effectively fulfill its statutory duties at the beginning of each fiscal year. Finally, your Committee notes that Commission expenditures are set through legislative appropriation, meaning this change should not affect the general fund after the initial increased carryover balance is established.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2859 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2104 Commerce, Consumer Protection, and Health on S.B. No. 2334

The purpose and intent of this measure is to appropriate funds for one full-time equivalent position within the Department of Health to implement a systematic vision and hearing program and other operating expenses of the program.

Your Committee received testimony in support of this measure from the Hawaii Primary Care Association, Hawaii Optometric Association, Project Vision Hawaii, Kaiser Permanente Hawaii, Kokua Kalihi Valley Comprehensive Family Services, and five individuals. Your Committee received comments on this measure from the Department of Health and Department of Education.

Your Committee finds that vision and hearing are critical to speech and language development, communication, and learning, especially during early childhood. To ensure the health of the children of Hawaii, the Legislature enacted Act 312, Session Laws of Hawaii 1992, which established a systematic hearing and vision program for children to detect and identify hearing and vision deficiencies in school children and recommend to parents or guardians the need for appropriate evaluation. The Department of Health successfully implemented the program, but a lack of funding for the program caused the program to become and remain inactive for quite some time.

Your Committee further finds that while there are some isolated community screening programs offered by local nonprofits in some areas of the State, not all children have access to these screenings, which inhibits accurate statewide data collection and assurance for the quality of the screening.

To assist the Committee on Ways and Means with its deliberation on this measure, your Committee notes that the Department of Health indicated that the one full-time equivalent position to implement the systematic vision and hearing program proposed by this measure would require an appropriation of \$80,000.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2334, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2334, 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. 2105 Commerce, Consumer Protection, and Health on S.B. No. 2471

The purpose and intent of this measure is to authorize the issuance of general obligation bonds for the design and construction of a new state mental health hospital to replace the Hawaii State Hospital.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services; Department of Health; Department of the Prosecuting Attorney of the City and County of Honolulu; United Public Workers, AFSCME, Local 646; and one individual.

Your Committee finds that the number of individuals and the severity of their needs have exceeded the available physical space available under the current configuration of the Hawaii State Hospital, which has not seen an increase in available bed capacity since 1992. The construction of a new and secure facility to replace the Hawaii State Hospital will effectively address the needs of Hawaii residents, improve operations of the Hawaii State Hospital, and provide an effective continuum of mental health supports.

Your Committee further finds that the Hawaii State Hospital master plan, which was originally completed in 2005 and updated in 2015, calls for the design and construction of a facility that will serve one hundred forty-four patients. This new facility will have treatment, activity, and dining facilities within its perimeter, as well as security and design features that will improve patient and hospital staff safety.

Your Committee has amended this measure by:

- (1) Amending the maximum amount of general obligation bonds to be issued to \$160,500,000;
- (2) Amending the appropriation amounts specified for design to \$20,000,000 and for construction to \$140,500,000;
- (3) Inserting language that designates the Department of Health as the expending agency of the appropriation; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2471, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2471, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2106 Commerce, Consumer Protection, and Health on S.B. No. 2181

The purpose and intent of this measure is to, beginning January 1, 2017, allow manufacturers of investigational drugs, biological products, or devices to make available such drugs, products, or devices to terminally ill patients under certain conditions.

Your Committee received testimony in support of this measure from the Hawaii Association for Justice and two individuals. Your Committee received comments on this measure from the Department of Health and Department of the Attorney General.

Your Committee finds that the process of approval for investigational drugs, biological products, and devices in the United States protects future patients from premature, ineffective, and unsafe medications and treatments over the long run, but the process often takes many years. Patients who have a terminal illness do not have the luxury of waiting until an investigational drug, biological product, or device receives final approval from the United States Food and Drug Administration.

Your Committee further finds that patients who have a terminal illness have a fundamental right to pursue the preservation of their own lives by accessing available investigational drugs, biological products, and devices. Several states, such as Arizona, Colorado, Louisiana, Michigan, and Missouri, have passed so-called "right-to-try" legislation that makes available experimental drugs without Food and Drug Administration approval to terminally ill patients with no other medication or treatment options.

To assist the Committee on Judiciary and Labor with its deliberation on this measure, your Committee notes the comments and concerns raised by the Department of the Attorney General in its testimony regarding possible inconsistencies between provisions in this measure and federal and state law.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2181, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2181, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2107 Commerce, Consumer Protection, and Health on S.B. No. 2928

The purpose and intent of this measure is to:

- (1) Require operators of special events to file reports with the Department of Taxation that provide information about the vendors participating in special events; and
- (2) Permit the Department of Taxation to issue citations to special event operators for failure to file a report.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received testimony in opposition of this measure from one individual. Your Committee received comments on this measure from the Tax Foundation of Hawaii and Chamber of Commerce Hawaii.

Your Committee finds that special events present a unique challenge to tax law enforcement, as these events involve primarily cash-based businesses that may or may not be properly licensed. This measure is intended to assist the Department of Taxation in finding businesses not currently in compliance with their general excise tax obligations and bringing those businesses into compliance.

Your Committee does have some concerns over the creation of an additional paper form and whether the Department of Taxation will be able to appropriately proceed with enforcement once the Department begins to collect all the information proposed by this measure. Your Committee believes an online form that would notify the Department of Taxation and permit the reporting of required information may be a more efficient starting point for the Department.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Department of Taxation to develop an online form to be published on the Department's website and filled out by special event operators that shall include relevant information about vendors at all special events for which a person is a special event operator; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2928, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2928, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2108 Commerce, Consumer Protection, and Health on S.B. No. 2861

The purpose and intent of this measure is to:

- (1) Repeal the Joint Formulary Advisory Committee established by the Department of Commerce and Consumer Affairs; and
- (2) Allow the Board of Nursing to be the sole authority that determines the exclusionary formulary for qualified advanced practice registered nurses with prescriptive authority.

Your Committee received testimony in support of this measure from the Board of Nursing.

Your Committee finds that the Joint Formulary Advisory Committee's sole function is to determine the formulary for advanced practice registered nurses with prescriptive authority. However, the Board of Nursing, as the authority that oversees the practice of nursing in Hawaii, including advanced practice registered nurses with prescriptive authority, ultimately makes the final determination on the exclusionary formulary. Accordingly, this measure repeals the Joint Formulary Advisory Committee, as it is obsolete and unnecessary, and permits the Board of Nursing to be the sole authority that determines the exclusionary formulary for qualified advanced practice registered nurses with prescriptive authority.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2861, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2861, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 2109 (Majority) Commerce, Consumer Protection, and Health on S.B. No. 2910

The purpose and intent of this measure is to:

- (1) Clarify the Lieutenant Governor's rulemaking authority relating to Commissioners of Deeds;
- (2) Authorize the Lieutenant Governor to assess and collect fees and administrative fines relating to Commissioners of Deeds;
- (3) Clarify that the Lieutenant Governor is responsible for the Commissioners of Deeds program;
- (4) Increase the surety bond requirement for Commissioners of Deeds from \$1,000 to \$10,000; and
- (5) Appropriate funds for the establishment and administration of the Commissioners of Deeds program.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor, American Resort Development Association – Hawai'i, and Wyndham Vacation Ownership.

Your Committee finds that Act 277, Session Laws of Hawaii 2013 (Act 277), 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 acknowledgments, 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 and includes protections for consumers wishing to purchase a time share property in Hawaii.

Your Committee further finds that a working group, convened to discuss and analyze the implementation of Act 277, has determined that additional legislation and authorization are necessary to fully implement the Commissioners of Deeds program. Accordingly, this

measure addresses the issues identified by the working group and will provide the Office of the Lieutenant Governor with the authority and clarification needed to properly implement Act 277.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2910, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2910, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Nishihara, Ruderman).

SCRep. 2110 Commerce, Consumer Protection, and Health on S.B. No. 2677

The purpose and intent of this measure is to:

- (1) Establish criminal history record check requirements for all nurse licensure applicants and license renewal applicants; and
- (2) Authorize the Board of Nursing to develop rules necessary to implement the required criminal history record checks for nurses.

Your Committee received testimony in support of this measure from the Department of Public Safety, Hawaii State Center for Nursing, University of Hawai'i at Manoa School of Nursing and Dental Hygiene, Hawai'i Pacific Health, and five individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Board of Nursing.

Your Committee finds that it is in the best interest of the nursing workforce in Hawaii to ensure safe and quality nursing services are provided to patients in the State. Establishing criminal history record checks for nurses is one way to protect consumers and enhance public safety. Your Committee further finds that the National Council of State Boards of Nursing has proposed a standard, for all states to adopt, that requires a biometrics-based state and federal criminal background check for all nursing applicants, consistent with Public Law No. 92-544. The American Nurses Association and the Council of State Governments also support the use of criminal background checks as part of the nursing licensure process.

Your Committee additionally finds that, according to testimony by the Board of Nursing, the number of active licensed nurses, as of the latest geographic report, was 25,865. Your Committee has heard the concerns of the Board of Nursing regarding the workload and implementation issues that will arise if all current and new licensees are expected to meet the record check requirements by the next licensing biennium, which begins July 1, 2017. Your Committee understands these concerns and believes a delayed implementation date for licensure renewal applicants is appropriate.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that the fingerprints required to be submitted for purposes of criminal history record checks shall be electronic fingerprints;
- (2) Clarifying that the criminal history record check requirements proposed by this measure shall begin with the July 1, 2017, licensing biennium for all new nurse licensure applicants;
- (3) Clarifying that the criminal history record check requirements proposed by this measure shall begin with the July 1, 2019, licensing biennium for all nurse licensure renewal applicants; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2677, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2677, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 2111 Commerce, Consumer Protection, and Health on S.B. No. 2539

The purpose and intent of this measure is to establish and appropriate funds for a temporary special action team for the Hawaii State Hospital to address the capacity and census issues at the hospital and the development there of a new forensic facility ready for occupancy by June 30, 2019.

Your Committee received testimony in support of this measure from the Department of Health; Office of Environmental Quality Control; United Public Workers, AFSCME, Local 646; and Hawaii Health Systems Corporation.

Your Committee finds that the Governor established, pursuant to executive memorandum, a special action team in June 2012 to address capacity and census issues at the Hawaii State Hospital. Members of the team included representatives from various state and county entities. In its October 2012 report to the Governor, the special action team provided expertise and insight in various aspects of the mental health system, which provided valuable input to the Governor, Director of Health, and Legislature. The establishment of a special action team is again necessary due to remaining capacity and census issues at the Hawaii State Hospital.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2539, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2539, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2112 Commerce, Consumer Protection, and Health on S.B. No. 2323

The purpose and intent of this measure is to ensure insurance coverage for sexually transmitted disease screenings, including screenings for human immunodeficiency virus and acquired immunodeficiency syndrome, during a female insured's annual gynecological examination.

Your Committee received testimony in support of this measure from the Department of Health; The American Congress of Obstetricians and Gynecologists, Hawaii Section; Hawaii Medical Association; Hawaii Medical Service Association; Hawaii State Coalition Against Domestic Violence; Healthy Mothers, Healthy Babies; and one individual. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii Employer-Union Health Benefits Trust Fund Board of Directors, and American Council of Life Insurers.

Your Committee finds that despite clear national recommendations for sexually transmitted disease testing, rates of testing in young women are troublingly low. This is of particular concern in Hawaii, which has the fifteenth highest rate of chlamydial infection in the country, with significant disparities across age and racial and ethnic groups in disease prevalence. Unrecognized and untreated sexually transmitted infections can result in pelvic inflammatory disease, ectopic pregnancy, infertility, and chronic pelvic pain. Your Committee further finds that research has shown that preventive health services can save lives and improve health by identifying illnesses earlier, managing illnesses more effectively, and treating illnesses before they develop into more complicated, debilitating conditions. Furthermore, under the federal Patient Protection and Affordable Care Act, private health plans are required to cover recommended preventive health services without any patient cost sharing.

Your Committee additionally finds that this measure proposes to ensure insurance coverage for sexually transmitted disease screenings, including screenings for human immunodeficiency virus and acquired immunodeficiency syndrome, during a female insured's annual gynecologic examination. However, according to testimony received by your Committee, sexually transmitted disease testing may be medically indicated more often than annually and is often indicated outside of an annual gynecologic examination.

Finally, your Committee notes that after further discussion with the Insurance Division of the Department of Commerce and Consumer Affairs, it appears that the insurance coverage proposed by this measure would not trigger a new mandate for health insurance coverage for grandfathered and transitional health care plans.

Your Committee has amended this measure by:

- (1) Clarifying that the insurance coverage proposed by this measure shall cover sexually transmitted disease testing in accordance with national professional guidelines, such as those of the United States Preventive Services Task Force and the federal Centers for Disease Control and Prevention;
- (2) Clarifying that the insurance coverage proposed by this measure shall not apply to limited benefit health insurance coverage as described in section 431:10A-102.5, Hawaii Revised Statutes; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2323, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2323, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2113 Transportation and Energy on S.B. No. 2933

The purpose and intent of this measure is to make an appropriation for a federal inspection station at Kona International Airport at Keahole.

Your Committee received testimony in support of this measure from the Department of Transportation, Department of Defense, Hawaiian Airlines, Mauna Kea Resort, The Fairmont Orchid, Kohala Coast Resort Association, Airport Concessionaires Committee, Airlines Committee of Hawaii, and one individual.

This measure is intended to establish a secondary federal inspection station in the State of Hawaii that provides added resilience during a civil defense emergency, while providing direct air freight for Hawaii island exports.

Your Committee finds that the United States Department of Homeland Security, Customs and Borders Protection, requires a federal inspection station for all certificated United States of America airports designed as the first point of entry into the United States of America for all international arriving visitors.

Your Committee further finds that Customs and Borders Protection requires that each federal inspection station meet its standards for design and construction under their airport technical design standards. A second federal inspection section also allows for additional international flights and reduced congestion at Honolulu International Airport.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2933, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2933, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2114 Transportation and Energy on S.B. No. 2996

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Bikeshare Hawaii develop a bikeshare system in the State.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Honolulu Department of Transportation Services; Blue Planet; Ulupono Initiative, Bikeshare Hawaii; PATH – Peoples Advocacy for Trails Hawaii; Hawaii Bicycling League; and five individuals. Your Committee received comments on this measure from the Department of Health, Department of Budget and Finance, and Department of the Attorney General.

Your Committee finds that the State suffers from serious traffic congestion, limited road and parking resources, and over-reliance on imported fuel for transportation, and needs flexible and affordable transportation options. Thus, the development of a bikeshare system in the State is in the public interest.

In May 2012, the Hawaii Clean Energy Initiative's Transportation Vehicle Miles Traveled Reduction Working Group and the Department of Health identified the development of bikeshare as a key strategy for reducing vehicle miles traveled and achieving healthy outcomes.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.

Your Committee notes the concerns of the Attorney General regarding whether Bikeshare Hawaii constitutes an industrial enterprise for purposes of eligibility to receive a special purpose revenue bond. Your Committee defers to the Committee on Ways and Means on this issue.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2996, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2996, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2115 Transportation and Energy on S.B. No. 2934

The purpose and intent of this measure is to ensure driver license procedures are compliant with the federal REAL ID Act.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that existing law does not require that a renewed driver's license contain a photograph of the licensee. This violates the REAL ID Act which requires "[a] digital photograph of the person", among other things. Your Committee further finds that the REAL ID Act also requires an applicant to appear in person to renew their license if sixteen years have passed since the applicant last appeared in person.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2934, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2934, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2116 Judiciary and Labor on S.B. No. 2428

The purpose and intent of this measure is to:

- (1) Require public retiree contributions to the Hawaii Employer-Union Health Benefits Trust Fund to be paid through withholdings of retirement benefit amounts from the Employees' Retirement System;
- (2) Require the Board of Trustees of the Employees' Retirement System to submit an annual report to the Legislature on the contribution amounts paid to the Hawaii Employer-Union Health Benefits Trust Fund; and
- (3) Authorize a retiree or beneficiary to make a one-time election to opt out of the public retiree contribution requirement.

Your Committee received testimony in support of this measure from four individuals. Your Committee received comments on this measure from the Employees' Retirement System and Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds health insurance premiums are automatically deducted for state and county employees. However, typically once an employee retires, the employer does not pay a portion of the health insurance premium, and the payment of insurance

premiums becomes an added burden for retirees. If the retiree fails to make the required payment, due to various reasons including but limited to illness, vacation, or a delay in postal service, the retiree is at risk of losing health insurance coverage. Implementation of this measure will streamline public retiree contributions to the Hawaii Employer-Union Health Benefits Trust Fund and provide better assurance that public retirees maintain health insurance coverage.

Your Committee has amended this measure by:

- (1) Requiring the Hawaii Employer-Union Health Benefits Trust Fund to authorize automatic electronic payments in lieu of withholdings beginning after June 30, 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2428, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2428, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2117 Judiciary and Labor on S.B. No. 2839

The purpose and intent of this measure is to amend the definition of “dependent-beneficiary” contained in chapter 87A, Hawaii Revised Statutes, by:

- (1) Excluding from the definition an employee-beneficiary’s child born more than ten months after the death of an employee killed in the performance of duty, after the death of an active employee who was eligible to retire on the date of death, or after the date of death of a retired employee-beneficiary; and
- (2) Repealing the requirement that an employee-beneficiary’s child must be unmarried, in conformance with the federal Patient Protection and Affordable Care Act of 2010, in order to be a dependent-beneficiary.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that the Hawaii Employer-Union Health Benefits Trust Fund offers health benefits to the children of state and county employees and retirees. However, under existing law, a child born or legally adopted by an employee’s or retiree’s surviving spouse after a state or county employee’s or retiree’s death who is not the natural child of the deceased employee or retiree is also eligible to participate in fund benefit plans. Implementation of this measure will clarify eligibility of children for participation in fund benefit plans and bring the definition of “dependent-beneficiary” into conformance with the federal Patient Protection and Affordable Care Act of 2010.

Your Committee has amended this measure by:

- (1) Additionally, excluding from the definition of “dependent-beneficiary” children legally adopted more than ten months after a state or county employee’s or retiree’s death; 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. 2839, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2839, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2118 Judiciary and Labor on S.B. No. 2346

The purpose and intent of this measure is to:

- (1) Authorize the Board of Trustees of the Employees’ Retirement System to appoint investment support staff and other investment professionals, in addition to investment officers;
- (2) Require the Employees’ Retirement System to make direct payments to a spouse or former spouse of a system member or retiree pursuant to a qualified domestic relations order beginning on January 1, 2018; and
- (3) Appropriate funds to the Employees’ Retirement System to implement this measure and hire one full-time equivalent claims examiner position.

Your Committee received testimony in support of this measure from the Family Law Section of the Hawaii State Bar Association and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received comments on this measure from the Employees’ Retirement System.

Your Committee finds that the successful investment of the Employees’ Retirement System’s (“System”) funds is essential to the stability and sustainability of the System. Although the Board of Trustees’ members are responsible for the general management of the System’s assets and implementation of the System’s investment policy, internal and external investment experts are heavily depended upon for advice. Authorizing the Board of Trustees to appoint investment support staff and other investment professionals will address the System’s long-term staffing needs, resulting from the complexity of the System’s portfolio and dynamics of the modern financial markets.

Your Committee further finds that under existing law, only private employers are required to abide by the federal Employee Retirement Income Security Act, authorizing non-member former spouses to receive retirement benefits directly from the retirement plan's administrator pursuant to a qualified domestic relations order. Authorizing the System to make direct payments to a spouse or former spouse of a System member will decrease litigation and ensure compliance with Hawaii domestic relations orders.

Your Committee has amended this measure by:

- (1) Replacing "qualified domestic relations order" with "Hawaii domestic relations order" for the purpose of clarity; 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. 2346, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2346, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2119 Judiciary and Labor on S.B. No. 2838

The purpose and intent of this measure is to authorize the Hawaii Employer-Union Health Benefits Trust Fund to invest in the same asset classes as the Employees' Retirement System.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the Other Post-Employment Benefits Trust Fund ("OPEB Trust Fund") was established to receive employer contributions to prefund retirees' post-employment health and benefit plan costs. The OPEB Trust Fund, required to be prefunded, has increased from \$314,800,000 on June 30, 2013, to \$1,000,000,000 on December 31, 2015, and is expected to increase to \$7,400,000,000 within the next ten years. Implementation of this measure will allow the Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees to take advantage of investment opportunities in certain types of assets in order to maximize returns on investments.

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. 2838 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2120 Economic Development, Environment, and Technology on S.B. No. 2657

The purpose and intent of this measure is to appropriate funds 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 testimony in support of this measure from the Department of Health and the Office of the Auditor.

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. State law requires the Office of Solid Waste Management to prepare revisions to the state Integrated Solid Waste Management Plan following the approval and review of each revised county-specific plan. Although each county has completed its plan revisions, the revision process has been delayed due to a lack of funds; therefore, your Committee finds it necessary to appropriate funds to complete the revision process.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2657 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Ruderman).

SCRep. 2121 Economic Development, Environment, and Technology on S.B. No. 2791

The purpose and intent of this measure is to appropriate funds to promote, regulate, and administer the Made in Hawaii brand program.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Agriculture; High Technology Development Corporation; 3D Innovations; Chamber of Commerce Hawaii; Hawai'i Fashion Incubator; KYD, Inc. dba: K. Yamada Distributors; Meadow Gold Dairies; and Hawai'i Farm Bureau.

Your Committee finds that the Made in Hawaii brand and the products made in the State are well-known and have a positive image. Managing and promoting the Made in Hawaii brand is therefore important to Hawaii's manufacturing industry, consumer awareness of which products are truly made in Hawaii, and the State's image locally and abroad.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2791 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Ruderman).

SCRep. 2122 Commerce, Consumer Protection, and Health on S.B. No. 2855

The purpose and intent of this measure is to make numerous amendments to Hawaii's Mortgage Rescue Fraud Prevention Act, for consistency with the federal Mortgage Assistance Relief Services Rule.

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 there was no federal counterpart to Hawaii's Mortgage Rescue Fraud Prevention Act, which protects consumers from mortgage rescue scams, until 2010, when the Federal Trade Commission adopted the Mortgage Assistance Relief Services Rule. Your Committee further finds that although the state law and federal regulation are designed to protect consumers from abusive mortgage relief practices, they take different approaches to identify consumers who may be in need of protection. For example, Hawaii's law focuses on properties already in distress, while the federal regulation focuses more broadly on the nature of mortgage assistance rescue services being offered.

Your Committee additionally finds that this measure reformulates state law to resolve existing conflicts and inconsistencies between the state law and federal regulations and will enable enforcement agencies to provide increased protection for vulnerable Hawaii homeowners who may be targeted by mortgage rescue scams.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2855, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2855, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2123 Commerce, Consumer Protection, and Health on S.B. No. 3033

The purpose and intent of this measure is to:

- (1) Allow owners of self-service storage facilities to send notices by electronic mail, publish notices of sales in any commercially reasonable manner, conduct sales online, and charge late fees; and
- (2) Authorize limits in rental agreements on the liability of the owner of self-service storage facilities based on the monetary value of the stored property.

Your Committee received testimony in support of this measure from the National Self Storage Association.

Your Committee finds that the State's self-storage facilities lien law has remained virtually unchanged since its enactment in 1984. Accordingly, this measure updates and clarifies Hawaii's self-storage facilities law by: permitting notification by electronic mail as an option for occupants; allowing public notice of a sale in a commercially reasonable manner; and permitting the lease contract for a self-service storage facility to contain value limitation and late fee provisions.

Your Committee has amended this measure by:

- (1) Authorizing self-service storage facility owners to have a motor vehicle or boat towed from a leased space, if the occupant is in default for sixty days or more; provided that notice is provided to the occupant prior to the motor vehicle or boat being towed;
- (2) Requiring owners to notify occupants regarding delinquency via two of the following three methods: telephone, electronic mail, or postal address; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3033, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3033, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2124 Commerce, Consumer Protection, and Health on S.B. No. 2298

The purpose and intent of this measure is to adopt a revised version of the Uniform Fiduciary Access to Digital Assets Act, which provides authority to plan for the management and disposition of digital assets.

Your Committee received testimony in support of this measure from the Commission to Promote Uniform Legislation and State Privacy and Security Coalition, Inc.

Your Committee finds that since last year, the Uniform Law Commission has worked to address concerns raised by internet service providers and privacy advocates over the original Uniform Fiduciary Access to Digital Assets Act, which the Uniform Law Commission first adopted in 2014. As a result of those efforts, the Uniform Law Commission has since adopted a revised version of the Uniform Fiduciary Access to Digital Assets Act.

Your Committee further finds that the Revised Uniform Fiduciary Access to Digital Assets Act is intended to modernize fiduciary law for the Internet Age. Access to a person's digital property and electronic communications, also known as digital assets, is usually governed by a terms-of-service agreement rather than by property law. Issues may arise when Internet users die or otherwise lose the ability to manage their own digital assets. Accordingly, the Revised Uniform Fiduciary Access to Digital Assets Act, which this measure proposes to adopt, provides Internet users with the ability and authority to plan for the management and disposition of their digital assets, in a manner similar to the process for management and disposition of tangible property.

Your Committee additionally finds that the Uniform Law Commission's Executive Committee has recently adopted certain technical amendments to the Revised Uniform Fiduciary Access to Digital Assets Act. Amendments to this measure are therefore necessary to incorporate these suggested amendments.

Your Committee has amended this measure by incorporating amendments suggested by the Commission to Promote Uniform Legislation, which:

- (1) Clarify that designated recipients and fiduciaries are obligated to follow copyright law; and
- (2) Corrects an internal reference.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2298, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2298, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2125 Commerce, Consumer Protection, and Health on S.B. No. 2674

The purpose and intent of this measure is to:

- (1) Require the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs to establish a division that specializes in medical cases involving regulated professions and occupations; and
- (2) Appropriate funds for five full-time equivalent (5.0 FTE) field investigators who specialize in medical cases.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs.

Your Committee finds that the Regulated Industries Complaints Office investigates allegations of professional misconduct by licensees and any possible unlicensed activity that may be occurring in Hawaii. When professions and occupations involve complex medical issues and scopes of practice that are widely varied, the enforcement of these professional and occupational regulations can be especially challenging. Your Committee further finds that despite the Regulated Industries Complaints Office's critical role in protecting consumers, the Office lacks investigators with specialized experience or expertise in medical issues. The additional positions proposed by this measure would assist the Regulated Industries Complaints Office in its investigation of medical complaints and allow the Office's existing staff more time to investigate complaints involving the other professions overseen by the Regulated Industries Complaints Office.

Your Committee has heard testimony from the Regulated Industries Complaints Office that the Office currently employs nine attorneys to handle licensed and unlicensed activity prosecutions for all forty-nine professions the Office oversees. Accordingly, the Regulated Industries Complaints Office would be better served by the addition of two full-time equivalent staff attorneys and four full-time equivalent field investigators devoted to the investigation of medical complaints. The Regulated Industries Complaints Office has expressed concerns about adding additional staff on the neighbor islands and has noted that the Office must rent office space, as space in the government buildings on the neighbor islands is extremely limited. Your Committee finds that because many medical complaint cases can be investigated remotely, housing new medical investigation staff on Oahu may be more economically feasible at this time.

Finally, your Committee has requested the Regulated Industries Complaints Office to provide an estimated cost breakdown for the proposed positions established by this measure, as this measure will next be considered by your Committee on Ways and Means. According to information received from the Regulated Industries Complaints Office, the ongoing direct personnel costs for a new Investigator IV are estimated at \$81,733, including fringe benefits. An additional \$5,830 in other operating costs are estimated for each investigator, for a total ongoing direct cost of \$87,563 per investigator. The Regulated Industries Complaints Office estimates a one-time direct cost expense for each investigator at \$4,850. The Regulated Industries Complaints Office has also estimated the following costs per staff attorney: ongoing direct personnel costs at \$110,960, including fringe benefits, in addition to \$2,850 in other operating costs, for a total ongoing direct cost of \$113,810 per staff attorney.

Your Committee has amended this measure by:

- (1) Amending the proposed positions established by this measure to four full-time equivalent (4.0 FTE) field investigators and two full-time (2.0 FTE) staff attorneys;
- (2) Removing language that would have specified the counties for which the new field investigator positions established by this measure would be designated; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2674, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2674, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2126 Commerce, Consumer Protection, and Health on S.B. No. 2840

The purpose and intent of this measure is to authorize the Department of Health to continue to disclose, including through electronic means, lists of names of persons whose deaths have been recorded by the Department to state agencies that maintain official lists of persons and are prohibited by federal law from sharing information for the lists.

Your Committee received testimony in support of this measure from the Department of Human Services and Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that although the Department of Health is allowed to verify information contained in vital statistics records by employing a process that matches its vital statistics information with information provided by agencies, that process cannot be used by state agencies whose lists are confidential under federal law.

Your Committee further finds that some governmental agencies within the State that keep official lists of persons need to know when members on their lists have died. Such notification of death is important in maintaining the integrity of certain programs, such as Medicaid, by stopping unnecessary payments to contracted managed care health plans on behalf of deceased individuals. Allowing the Department of Health to report deaths to state agencies that maintain official lists that are confidential under federal law would assist state agencies to maximize the accuracy of their official lists and avoid overpaying benefits and wasting public funds.

Your Committee has amended this measure by:

- (1) Inserting an effective date of June 30, 2016; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2840, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2840, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2127 Commerce, Consumer Protection, and Health on S.B. No. 2863

The purpose and intent of this measure is to:

- (1) Authorize the issuance of a citation for certain technical violations of massage therapy laws by licensees;
- (2) Establish a process for licensees to contest a citation; and
- (3) Provide for the assessment of fines for each violation.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Board of Massage Therapy.

Your Committee finds that this measure authorizes the Regulated Industries Complaints Office to issue citations to massage therapy licensees for specific violations of the massage therapy laws, affords licensees an opportunity to request a hearing to contest a citation, and specifies that failure to pay an assessed fine within thirty days may subject a licensee to further disciplinary action. Your Committee further finds that this measure will expedite the Regulated Industries Complaints Office's enforcement of certain technical violations of the massage therapy laws, promote swift compliance by licensees, and enable the Office's staff to concentrate their efforts and resources on more serious violations.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2863, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2863, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 2128 Commerce, Consumer Protection, and Health on S.B. No. 3105

The purpose and intent of this measure is to:

- (1) Require a health care provider who refers patients to facilities in which the health care provider has a financial interest to disclose the financial interest to the patient; and
- (2) Specify that failure to disclose a financial interest to a patient is an unfair and deceptive trade act or practice.

Your Committee received testimony in support of this measure from the Insurance Division of the Department of Commerce and Consumer Affairs and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Medical Association and Pacific Radiation Oncology LLC.

Your Committee finds that self-referrals, which occur when a health care provider refers a patient for services or treatments at facilities in which the health care provider has a financial interest, raise questions about financial and medical conflicts of interest. Self-referrals may lead to overutilization of expensive treatments and services, which may therefore increase the cost of insurance. Your Committee further finds that this measure provides important safeguards for Hawaii patients when they are referred for services or treatments at facilities in which a health care provider has a financial interest and will enable patients to make better informed choices about their health care.

Your Committee additionally finds that, according to testimony from the Insurance Division, except for the limited provision in the motor vehicle insurance code that regulates health care provider referral conduct, the Insurance Division does not regulate the activities of health care providers. Your Committee therefore concludes that the prohibition on self-referral practices proposed by this measure may be better placed in a chapter of the Hawaii Revised Statutes outside of the insurance code.

Accordingly, your Committee has amended this measure by:

- (1) Moving language on prohibited health care provider self-referral practices from the insurance code to chapter 451D, Hawaii Revised Statutes, relating to health care professionals;
- (2) Removing the provision that would have made this measure apply retroactively to January 1, 2008;
- (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 record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3105, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3105, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2129 Commerce, Consumer Protection, and Health on S.B. No. 2687

The purpose and intent of this measure is to create and appropriate funds for the colorectal cancer screening and awareness program within the Department of Health.

Your Committee received testimony in support of this measure from the University of Hawaii Cancer Center, The Queen's Health Systems, 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 Health and one individual.

Your Committee finds that according to United States Centers for Disease Control and Prevention data, Hawaii's current screening rate for colorectal cancer is sixty-four percent, which, when compared to all states, ranks in the bottom half. This indicates that there is more work to be done to increase colorectal cancer screening rates in the State, which will help detect and prevent death from late stage colorectal cancer.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2687 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2130 Commerce, Consumer Protection, and Health on S.B. No. 2692

The purpose and intent of this measure is to:

- (1) Impose 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, 2017, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer; and
- (2) 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, University of Hawaii Cancer Center, Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, American Lung Association in Hawaii, Weinman Foundation, and thirty-five individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance and eighteen individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Hawaii has a substantial interest in reducing the number of individuals of all ages who use tobacco products. Tobacco use in Hawaii causes approximately 1,400 deaths per year among adults and poses a heavy burden on Hawaii's health care system. Research has shown that either a tax on cigarettes or cigarette price increases have the propensity to reduce the rate of smoking by adult and youth smokers. However, as the price of cigarettes increases, smokers may turn to less expensive tobacco products, including loose or roll-your-own tobacco.

Your Committee further finds that there should not be a lower-priced tobacco alternative to cigarettes in the State. Higher tobacco product prices will encourage tobacco users to quit or sustain cessation, prevent youth initiation, and reduce consumption among those who continue to use tobacco.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2692 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2131 Commerce, Consumer Protection, and Health on S.B. No. 2883

The purpose and intent of this measure is to clarify that the Department of Health may amend birth certificates to establish or change parenthood only pursuant to a court order or other legal establishment of parenthood and that the amendment shall not be considered a correction of a personal record under the Uniform Information Practices Act.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of Health, and Office of Information Practices.

Your Committee finds that births are required to be registered in the State, and birth certificates are used as prima facie evidence to prove important factors such as identity, citizenship, parenthood, age, sex, and race. There are legal presumptions regarding parenthood that are established by law, and the rights of parents, which are protected by the federal and state constitutions, can be significantly impacted by birth certificate amendments regarding parenthood. Existing law allows persons to file late birth certificates or amend birth certificates upon submitting proof required by the Department of Health. However, because the Department of Health is not qualified to evaluate anecdotal or genetic evidence of parenthood and has no means to afford due process to existing parents whose rights would effectively be terminated by an amendment that changes a parent on a birth certificate, individuals have sued the Department and been awarded attorney's fees and other costs. This measure would assure that changes to parental rights arising from birth certificate amendments would be subject to judicial determination and existing legal presumptions regarding parenthood, support the Department of Health's longstanding interpretation of its own law and rules, maintain the accuracy of vital records in Hawaii, and protect the State from significant unnecessary costs and attorney's fees.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2883 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2132 (Joint) Water, Land, and Agriculture and Commerce, Consumer Protection, and Health on S.B. No. 2516

The purpose and intent of this measure is to appropriate funds to the University of Hawaii at Hilo, Department of Health, and Department of Land and Natural Resources for programs, studies, and activities related to the prevention and eradication of rat lungworm disease.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Department of Health, Big Island Invasive Species Committee, University of Hawai'i System, Hawaii Farmers Union United, Kua O Ka Lā, GMO Free Maui, Life of the Land, We Are One, Evening Rain Farm, Maui Venture Consulting LLC, Hawaii Island School Garden Network, Puna Community Medical Center, and one hundred thirty individuals.

Your Committees find that the Department of Health has reported over seventy cases of rat lungworm disease since 2001. The disease has claimed lives and caused crippling chronic disability to residents and visitors of Hawaii. The Hawaii Island Rat Lungworm Disease Working Group at the Daniel K. Inouye College of Pharmacy at the University of Hawaii at Hilo has been conducting research and educational outreach on the disease for the past four years; however, there remains much more to learn about this devastating disease. Your Committees therefore find it necessary to provide resources to assist in the prevention and eradication of rat lungworm disease.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2516 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Ruderman, Wakai).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2133 (Joint) Water, Land, and Agriculture and Commerce, Consumer Protection, and Health on S.B. No. 2787

The purpose and intent of this measure is to:

- (1) Legalize industrial hemp as an agricultural product; and
- (2) Promote research and development of markets for industrial hemp.

Your Committees received testimony in support of this measure from the Department of Agriculture, University of Hawai'i System, Hawai'i Farm Bureau, Kihei Community Association, Hawai'i Center for Food Safety, The Optimum Living Alliance, We Are One, Wear on Earth-Hawaii, Drug Policy Forum of Hawaii, Maui Venture Consulting LLC, and eighty-three individuals. Your Committees received testimony in opposition to this measure from the City and County of Honolulu Police Department and one individual.

Your Committees find that industrial hemp is well suited to Hawaii's climate and soil and can grow to over ten feet in a short period of time with little water and no pesticides. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products grew to over \$620,000,000 annually in 2014. Industrial hemp has over 25,000 uses, including food, fiber, and fuel products, and has high potential to contribute to the future viability of the State's agricultural industry.

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 Water, Land, and Agriculture and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2787, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2787, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Ruderman, Wakai).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2134 Water, Land, and Agriculture on S.B. No. 2903

The purpose and intent of this measure is to allow a holder of a mooring permit for mooring within state small boat harbors to transfer the mooring permit to the new vessel owner under certain terms and conditions.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received testimony in opposition to this measure from Hawaii Fishing and Boating Association, Fair Wind Cruises, Quicksilver Charters, and five individuals. Your Committee received comments on this measure from Ocean Tourism Coalition and one individual.

Your Committee finds that there is no existing law to authorize the transfer of presently issued mooring permits by order of seniority from a waitlist. This measure remedies the lack of transfer authority, which limits the ability of vessel owners to sell their vessels when a potential buyer does not already have a place to berth the vessel.

Your Committee further finds that it is necessary to allow appraisals to be completed by all licensed surveyors, not just state licensed ones.

Your Committee has thereby amended this measure by:

- (1) Amending language to allow the sale price of the vessel to be established by an appraisal from any licensed surveyor, rather than from only a state licensed surveyor; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2903, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2903, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2135 Water, Land, and Agriculture on S.B. No. 3067

The purpose and intent of this measure is to require an oceanfront purchaser statement with the sale or transfer of oceanfront real estate to ensure that new oceanfront property owners understand the special hazards, permitting requirements, and limitations that may affect the oceanfront property.

Your Committee received comments on this measure from the Department of Land and Natural Resources and Hawai'i Association of REALTORS.

Your Committee finds that oceanfront property is often vulnerable to hazards, such as coastal erosion and flooding, which can be exacerbated by sea level rise and man-made interruptions to natural sand supply. Privately owned oceanfront land is lost when shorelines undergo landward retreat and oceanfront properties become smaller, which can adversely affect building setbacks, property values, and insurance availability. Additionally, obtaining a permit to repair or install shoreline protection structures can be challenging due to Hawaii's coastal zone management policies, which are intended to protect the State's coastal resources and shoreline public access. Your Committee therefore finds it is important that new oceanfront property owners understand the special hazards, permitting requirements, and limitations that may affect the oceanfront property via an oceanfront purchaser statement form.

Given the impact of the changes proposed by this measure on the real estate industry, your Committee finds that the effective date of this measure should allow adequate time for the Hawaii Association of REALTORS to prepare and educate its members. Your Committee also concurs with the Department of Land and Natural Resource's opinion that it is unnecessary for the Department to develop a form for the oceanfront purchaser statement or adopt rules regarding the form.

Your Committee has amended this measure by:

- (1) Clarifying language in the purpose section to explain the intent of coastal zone management policies;
- (2) Inserting language to be consistent with the definition of "shoreline" in section 205A-1, Hawaii Revised Statutes;
- (3) Replacing the term "coastal inundation hazard maps" with "historical coastal erosion rate maps";
- (4) Deleting language that would have required the Department of Land and Natural Resources to develop and make available online an oceanfront purchaser statement form and would have authorized the Department to adopt rules to effectuate this measure;

- (5) Inserting an effective date of November 1, 2016; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3067, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3067, S.D. 1, and be referred to your Committees on Commerce, Consumer Protection, and Health and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2136 Water, Land, and Agriculture on S.B. No. 3065

The purpose and intent of this measure is to permanently increase and strengthen the presence of enforcement officers and on-site educational staff as well as remote monitoring for Ka'ena Point State Park and Ka'ena Point Natural Area Reserve by:

- (1) Authorizing the Department of Land and Natural Resources to establish a system of user fees and a log-in system for visitors and users of Ka'ena Point State Park and Ka'ena Point Natural Area Reserve; and
- (2) Appropriating funds for additional enforcement officers and on-site educational staff for Ka'ena Point State Park and Ka'ena Point Natural Area Reserve for full-time, around the clock coverage, and remote monitoring to document usage in other areas.

Your Committee received testimony in support of this measure from the Aha Moku Advisory Committee, Pacific Rim Conservation, Mālama Pūpūkea-Waimea, Humane Society of the United States, Conservation Council for Hawai'i, Friends of Ka'ena, and thirteen individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that Ka'ena Point State Park and Ka'ena Point Natural Area Reserve are spectacular protected coastal areas with rich cultural, natural, historic, and recreational resources, including rare and endangered species. Due to their very remote location, the park and natural area reserve are not adequately staffed by the Department of Land and Natural Resources to ensure the safety of users and to ensure that users of the park and reserve respect and protect the precious natural resources of the area.

Your Committee has amended this measure by:

- (1) Deleting language that would have authorized the Department of Land and Natural Resources to establish user fees for Ka'ena Point State Park and Ka'ena Point Natural Area Reserve;
- (2) Deleting language that would have required full-time, around the clock coverage of Ka'ena Point State Park and Ka'ena Point Natural Area Reserve by an officer or educational ambassador; and
- (3) Inserting an appropriation amount of \$696,104 to be allocated for a Division of State Parks Interpretive Technician and five Division of Conservation and Resources Enforcement officers, ancillary equipment, and vehicle needs.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3065, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3065, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2137 (Majority) Transportation and Energy on S.B. No. 2013

The purpose and intent of this measure is to effectuate its title.

Prior to a 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 creating the University of Hawaii green special fund.

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 Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2013, as amended herein, and recommends that it be recommitted to your Committee on Transportation and Energy, in the form attached hereto as S.B. No. 2013, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Nishihara).

SCRep. 2138 Education on S.B. No. 2232

The purpose and intent of this measure is to establish age appropriate curricula within the department of education to educate public school students on sexual abuse prevention.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; American Association of University Women, Hawaii; Planned Parenthood Votes Northwest and Hawaii; Hawaii Youth Services Network; The Sex Abuse Treatment Center; Healthy Mothers Healthy Babies Coalition of Hawaii; Parents and Children Together; and four individuals. Your Committee received comments on this measure from the Department of Education, Hawaii State Public Charter School Commission, and Executive Office on Early Learning.

Your Committee finds that sexual abuse is a serious and ongoing threat to the safety, health, and wellbeing of children and young people in the State of Hawaii. Sexual abuse is often a difficult subject to discuss and many school teachers and staff do not receive

sufficient training on talking to students about child sexual abuse prevention or how to handle disclosures of sexual abuse. As a result, there is no age appropriate curriculum to educate students on how to prevent sexual abuse or the importance of reporting it.

Your Committee has amended this measure by:

- (1) Incorporating provisions of S.B. No. 2235 establishing a task force within the Department of Education to guide the creation of age appropriate curricula;
- (2) Amending the composition of the task force, and requiring the Department of Education to implement the recommendations of the task force in the 2017-2018 school year; 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. 2232, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2232, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2139 Education on S.B. No. 2613

The purpose and intent of this measure is to expand the national board certification incentives to public school counselors and school psychologists, and to authorize continuing bonuses for teachers, counselors, and school psychologists in designated high-need schools that improve and are no longer designated as such.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii Association of School Psychologists, Community Children's Council Legislative Committee, Hawaii School Counselor Association, Hawaii State Teachers Association, and six individuals.

Your Committee finds that having highly qualified mental health providers in schools is important for the wellbeing and success of students. The certification process for school counselors and school psychologists is similarly rigorous to that of teachers. Providing incentives for mental health providers similar to the incentives for teachers is likely to attract highly qualified counselors and school psychologists to public schools in the State, to the benefit of Hawaii's students.

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. 2613, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2613, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2140 Education on S.B. No. 2867

The purpose and intent of this measure is to repeal the statutory provision for salary step increases for teachers.

Your Committee received testimony in support of this measure from the Department of Education, Office of the Attorney General, State Office of Collective Bargaining, Department of Budget and Finance, and one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that the statutory provision for step increases for teachers was originally enacted in 1953. Since then, step increases have entered the purview of collective bargaining. As a result, the statutory provision for step increases for teachers is obsolete and no longer necessary.

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. 2867 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2141 Education on S.B. No. 2975

The purpose and intent of this measure is to allow Department of Education employees to administer or assist students in administering blood glucose monitoring tests.

Your Committee received testimony in support of this measure from the Department of Education, Department of Health, American Diabetes Association, Diabetes Education and Support Consulting Services, and eleven individuals.

Your Committee finds that blood glucose monitoring is vitally important to students with diabetes. Under certain circumstances, some students may require immediate assistance administering blood glucose tests. Allowing Department of Education employees to assist students with diabetes in administering such tests will help keep those students medically safe at school.

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. 2975 and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2142 Education on S.B. No. 2603

The purpose and intent of this measure is to make an appropriation to the Executive Office on Early Learning and the Early Learning Advisory Board for staffing, travel, and attendance at conferences.

Your Committee received testimony in support of this measure from the Hawaii State Public Charter School Commission, Executive Office on Early Learning, Early Learning Advisory Board, Community Children's Councils Legislative Committee, and Kamehameha Schools. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that adequate staffing and funds are important to support the Executive Office on Early Learning in fulfilling its obligations to Hawaii's children. Currently, the office is understaffed and requires additional resources to ensure that its members can travel throughout the State to perform their duties.

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. 2603 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2143 Education on S.B. No. 2608

The purpose and intent of this measure is to require the Board of Education to conduct annual self-evaluations, report a summary of its findings to the Legislature, and post the summary on its public website.

Your Committee received testimony in support of this measure from the Community Children's Councils Legislative Committee, Democratic Party of Hawaii Education Caucus, and one individual.

Your Committee finds that transparent self-evaluation is in the interests of the Board of Education, as well as the public interest. Regular self-evaluation will allow the Board to diagnose developing issues before they become serious problems, and to correct any concerns that currently exist in the Board's operations.

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. 2608 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, 2 (Dela Cruz, Slom).

SCRep. 2144 (Joint/Majority) Human Services and Education on S.B. No. 2231

The purpose and intent of this measure is to provide a standardized framework and funding for after-school programs in public middle and intermediate schools, more specifically, this measure:

- (1) Establishes the R.E.A.C.H. program within the Office of Youth Services; and
- (2) Authorizes individual schools participating in the R.E.A.C.H. program to receive fees and other monies to supplement the costs of administering and operating the program.

Your Committees received testimony in support of this measure from the Office of the Lieutenant Governor, State Public Charter School Commission, Office of Youth Services, Family Programs Hawaii, Hawaii Youth Services Network, and five individuals.

Your Committees find that in Hawaii over 54,000 children are left alone unsupervised until their parents return home from work each day, and most violent crimes committed by juveniles occur on school days. After-school programs are an investment in Hawaii's youth. State-funded programs and increased availability of programs have led to higher participation rates in after-school programs. Middle school years are an important, formative time in a child's life. Once a child disconnects, it is much more difficult to recruit the child back and retain the child in school. More persistent outreach and long-term participation in after-school programs foster a connection between children and school, and thus graduation from high school, college, and establishment of a career all ultimately lead to a better quality of life.

As affirmed by the records of votes of the members of your Committees on Human Services and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2231 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Human Services: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Green, Harimoto, Ruderman).
Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2145 (Joint/Majority) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2894

The purpose and intent of this measure is to:

- (1) Authorize the Department of Human Services to develop and administer outreach as required by the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act); and
- (2) Create the Hawaii health insurance programs within the Department of Labor and Industrial Relations, which will conform state law to the Affordable Care Act and enable the State to: preserve the benefits of the Prepaid Health Care Act; ensure a

smooth transition to a state-based marketplace using the federal platform for individuals and families; and develop a system to allow small businesses to continue to take advantage of Affordable Care Act tax credits.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Department of Labor and Industrial Relations, Department of Human Services, Hawaii Medical Service Association, and International Warehouse and Longshore Union Local 142. Your Committees received comments on this measure from the State Procurement Office.

Your Committees find that Hawaii's state-based health insurance exchange, the private nonprofit Hawaii Health Connector, ceased operations on December 4, 2015. The State has since enlisted the assistance of six state departments to comply with federal requirements and ensure a smooth transition for enrollees from the state-based exchange to a state-based marketplace that utilizes the federal platform.

Your Committees further find that outreach and consumer assistance for health insurance, including Medicaid, continue to be needed during the transition. These functions will be provided by the Department of Human Services and require the continued development of communication materials, supplies, travel, and other administrative support. The Department of Human Services has estimated a need for additional staff to perform these outreach and consumer assistance functions, as these are not functions that have been previously provided by the Department.

Your Committees additionally find that during the transition, the Department of Labor and Industrial Relations is responsible for overseeing employers who have the option of providing health plans to their employees through Hawaii's Prepaid Health Care Act or the federal exchange, and managing the federal Affordable Care Act grant. The Department of Labor and Industrial Relations has requested transfer of the federal grant to the Department but has been informed that the State will be unable to receive federal grant monies until a new state exchange is named.

This measure establishes a new state health insurance exchange in the Department of Labor and Industrial Relations and authorizes the Department to operate a small business health options program under federal requirements. However, successful operation of the small business health options program is dependent on receiving approval of a federal waiver. Your Committees echo the frustration felt by many, that though the State continues to meet every objective set by the federal government, including low numbers of uninsured residents, generous coverage and benefits, and a program that did not increase costs to the federal government, there are no guarantees or assurances that a federal waiver will be granted. Despite these federal uncertainties, your Committees acknowledge that this measure is a necessary next step that can better assist the State during the transition to a state-based marketplace that utilizes the federal platform.

Your Committees have amended this measure by:

- (1) Removing language that would have exempted the Department of Labor and Industrial Relations from the Hawaii Public Procurement Code for purposes of the Hawaii health insurance programs;
- (2) Clarifying the Insurance Commissioner's regulatory authority over insurers and qualified plans and dental plans included in the state health insurance exchange;
- (3) Removing language that would have repealed chapter 435H, Hawaii Revised Statutes, relating to the Hawaii Health Connector, as the repeal of the Connector is being considered in another vehicle currently moving through the legislative process; 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 Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2894, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2894, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Espero, Nishihara, Ruderman).
Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2146 Commerce, Consumer Protection, and Health on S.B. No. 2690

The purpose and intent of this measure is to:

- (1) Increase the excise tax on cigarettes and little cigars sold on or after July 1, 2016, to 20 cents per cigarette or little cigar sold; and
- (2) Beginning on July 1, 2016, allocate the taxes collected per cigarette or little cigar to various funds, including 3 cents to the Hawaii cancer research special fund; 1 cent to the department of health chronic disease prevention and health promotion division, for smoking cessation programs and education in Hawaii; and 2 cents to the general 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 Heart Association, American Lung Association in Hawaii, and forty-one individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance and eight individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that tobacco products, which are addictive and inherently dangerous, produce a complex chemical mixture of more than 7,000 compounds when burned, causing a wide range of diseases, including cancer, heart disease, and other serious illnesses, and premature death. Hawaii has a substantial interest in reducing the number of individuals of all ages who use tobacco products, as tobacco use in Hawaii causes approximately 1,400 deaths per year among adults and poses a heavy burden on Hawaii's health care system.

Your Committee further finds that research has shown that either a tax on cigarettes or cigarette price increases have the propensity to reduce the rate of smoking by adult and youth smokers. Raising the excise tax on cigarettes and little cigars sold in the State and allocating the increased taxes collected to research and smoking cessation programs and education in the State will protect individuals of all ages, especially adolescents, from tobacco dependency and the illnesses and premature death associated with smoking.

Your Committee has amended this measure by:

- (1) Increasing the amount allocated to the Hawaii cancer research special fund from 3 cents per cigarette to 4 cents per cigarette;
- (2) Increasing the amount allocated to the credit of the Department of Health Chronic Disease Prevention and Health Promotion Division, for smoking cessation programs and education in Hawaii, from 1 cent to 2 cents;
- (3) Deleting unnecessary language that would have allocated 2 cents per cigarette to be deposited to the credit of the general fund, as any unallocated portion of cigarette and tobacco tax revenue is already credited to the general 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2690, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2690, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2147 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2330

The purpose and intent of this measure is to:

- (1) Continue the hospital sustainability program for one year;
- (2) Appropriate funds out of the hospital sustainability program special fund for fiscal year 2016-2017; and
- (3) Amend various reimbursement rates under the program to certain private hospitals through Medicaid managed care health plans, and uncompensated care and disproportionate share hospital payments.

Your Committees received testimony in support of this measure from the Healthcare Association of Hawaii; Chamber of Commerce Hawaii; Hawaii Primary Care Association; United Public Workers, AFSCME, Local 646; and The Queen's Health Systems. Your Committees received comments on this measure from the Department of Human Services and Hawaii Medical Association.

Recognizing that Medicaid payments to hospitals were far below the actual costs of care, the Legislature created the hospital sustainability program by enacting Act 217, Session Laws of Hawaii 2012, which increases Medicaid payments to hospitals. Your Committees find that the program achieves this by assessing a fee on hospitals, using the revenue to obtain matching federal Medicaid funds, and returning a majority of the combined amount directly to hospitals. This measure will provide increased access to medical care and create more sustainable hospitals in Hawaii.

Your Committees have amended this measure by:

- (1) Updating findings to specify that provider fees exist in forty-nine states and the District of Columbia as a means of drawing down federal funds to sustain their Medicaid programs;
- (2) Amending the definition of "private hospital" to include hospitals that became a private hospital in calendar year 2016 and are currently operating;
- (3) Deleting language that would have repealed the hospital sustainability program special fund and related amendments made to section 36-30(a), Hawaii Revised Statutes, on December 31, 2017;
- (4) Deleting section 6 of this measure, which would have repealed certain amendments made to sections 36-27(a) and 36-30(a), Hawaii Revised Statutes, on December 31, 2017; 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 Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2330, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2330, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2148 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2085

The purpose and intent of this measure is to appropriate funds for fiscal year 2016-2017 for:

- (1) The kupuna care program;
- (2) The aging and disability resource center;
- (3) Fall prevention and early detection services for the elderly;

- (4) The healthy aging partnership program;
- (5) An Alzheimer's disease and related dementia services coordinator; and
- (6) 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; Maui County Office on Aging; Hawaii Family Caregiver Coalition; Healthcare Association of Hawaii; Alzheimer's Association, Aloha Chapter; Child & Family Service; Hawaii Government Employees Association, AFSCME Local 152; Lanakila Pacific; Zonta Club of Hilo; Catholic Charities Hawaii; ILWU Local 142; and two individuals.

Your Committees find that according to census projections, 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.

While your Committees support all of the appropriations in this measure, your Committees prefer that the appropriations be included in the executive supplemental budget rather than in this measure; provided that for appropriations not included in the executive supplemental budget, your Committee on Ways and Means is requested to consider retaining those appropriations in this measure for further consideration.

Your Committees have amended this measure by:

- (1) Clarifying that the State's aging and disability resource center is a person-centered process intended to navigate and streamline access to long-term services and supports for older adults, individuals with disabilities, and family caregivers;
- (2) Updating findings related to the costs associated with falls among the elderly; and
- (3) Updating findings related to the number of Hawaii residents that are forecast to be affected by Alzheimer's disease in Hawaii.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2085, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2085, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2149 Economic Development, Environment, and Technology on S.B. No. 2277

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for Goodwill Industries of Hawaii, Inc.

Your Committee received testimony in support of this measure from Goodwill Industries of Hawaii, Inc. and one individual. Your Committee received 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 Goodwill Industries of Hawaii, Inc., to finance capital improvements at the Beretania Street property, which requires enclosure of much of the area from the outdoors and updates to create efficiencies in processing operations, and to provide a better environment for its employees and clients. 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2277 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Baker).

SCRep. 2150 Economic Development, Environment, and Technology on S.B. No. 2301

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Keahole Management Group LLC as a processing enterprise.

Your Committee received testimony in support of this measure from Keahole Management Group LLC, Hawaii Tropical Fruit Growers, Koa Kane Limited Liability Company, Hongli Tea Kona LLC, and two individuals. Your Committee received 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 Keahole Management Group LLC to assist with planning, designing, constructing, and equipping facilities for the manufacturing and processing of products, including the production of value-added agricultural products, in the State. 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2301 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Baker).

SCRep. 2151 Economic Development, Environment, and Technology on S.B. No. 2302

The purpose and intent of this measure is to establish a Dark Skies Protection Advisory Committee to assist the Department of Business, Economic Development, and Tourism in developing a dark skies protection strategy.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; and one individual.

Your Committee finds that dark night skies hold important cultural, scientific, astronomical, natural, landscape, and tourism-related value. Your Committee further finds that light pollution, caused by inappropriate use of lighting at night, including over-illumination, excessive use of artificial light, use of fixtures that directs light upward causing glare and sky glow, and use of fixtures that have excessive amounts of blue light, which is scattered by the atmosphere to cause sky glow, interferes with dark night sky activities and the nighttime activities of certain animal and insect species. Your Committee also finds that nighttime illumination of state highways, harbors, airports, and other facilities is costly and consumes large amounts of energy, and that application of new lighting technologies could produce substantial energy and cost savings. This measure is an important step toward better protection of Hawaii's dark night skies.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2302 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Baker).

SCRep. 2152 Economic Development, Environment, and Technology on S.B. No. 2506

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist TruTag Technologies, Inc., as a manufacturing enterprise.

Your Committee received testimony in support of this measure from the Chamber of Commerce of Hawaii; TruTag Technologies, Inc.; and three individuals. Your Committee received 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 TruTag Technologies, Inc., to finance or refinance the planning, construction, improvement, and equipping of its manufacturing facilities in the State to produce silica microtags for identification, tracking, authentication, brand protection, and quality assurance of high-volume, high-value items, such as electronics and industrial parts. 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2506 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Baker).

SCRep. 2153 Economic Development, Environment, and Technology on S.B. No. 2511

The purpose and intent of this measure is to:

- (1) Make the Director of Business, Economic Development, and Tourism a member of the Broadband Assistance Advisory Council;
- (2) Ensure that each of the counties are represented on the Broadband Assistance Advisory Council; and
- (3) Authorize the Chairperson of the Broadband Assistance Advisory Council to include representatives of other interested public or private sector organizations on an ad hoc basis as members of the advisory council or the work groups of the advisory council.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Cable Television Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that the need for broadband services has continued to grow and that broadband service has become an essential infrastructure for society in the twenty-first century. The Broadband Assistance Advisory Council advises the Department of Commerce and Consumer Affairs on policy and funding priorities to promote and encourage the use of telework alternatives for public and private employees and to expedite the development of affordable and accessible broadband services in Hawaii. Your Committee further finds that the membership of the Broadband Assistance Advisory Council does not include representation from the Department of Business, Economic Development, and Tourism, every county, or other interested public or private sector organizations and that inclusion of these other parties would enhance the advisory council in its ability to advise on broadband-related policy for the entire State.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2511 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 1 (Baker).

SCRep. 2154 Education on S.B. No. 2433

The purpose and intent of this measure is to prioritize other options apart from formal court proceedings to address student truancy.

Your Committee did not receive any testimony on this measure.

Your Committee finds that instances of student truancy are frequently resolved through court proceedings when non-judicial alternatives are available. Non-judicial alternatives are generally less costly, more flexible, and less disruptive to a student and student's family than court proceedings. This measure prioritizes those non-judicial alternatives in situations in which such alternatives are applicable.

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. 2433 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Harimoto).

SCRep. 2155 Education on S.B. No. 2731

The purpose and intent of this measure is to establish a school impact fee review task force to review the law regarding school impact fees and recommend necessary amendments.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii. Your Committee received testimony in opposition to this measure from the Department of Education.

Your Committee finds that Act 245, Session Laws of Hawaii 2007, established the law regarding school impact fees, including new methods of financing the development of new educational facilities and the expansion of existing facilities. Since 2007, land use planning, development patterns, and preferences have changed significantly. School impact fee laws were amended in 2010, but it is possible that further substantive amendments are needed.

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. 2731 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Harimoto).

SCRep. 2156 (Majority) Education on S.B. No. 3099

The purpose and intent of this measure is to:

- (1) Establish the Hawaii three to six out-of-school program;
- (2) Create the Hawaii three to six out-of-school program revolving fund;
- (3) Provide a single funding source to fund after school programs included in the Hawaii three to six out-of-school program; and
- (4) Make an appropriation.

Your Committee received testimony in support of this measure from the Department of Education, State Public Charter School Commission, Office of Youth Services, Hawaii Island School Garden Network, Micronesians United Big Island, Hawaii Youth Services Network, Hawaii Afterschool Alliance, Parents and Children Together, High Tech Youth Network, Pioneering Healthier Communities Honolulu, Kaho'omiki, and fifteen individuals. 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 one individual.

Your Committee finds that out-of-school, extracurricular programs are valuable to the development and success of Hawaii's students. Out-of-school activities reinforce lessons learned in the classroom and expose students to the arts, culture, literacy, fitness, math, science, character development, and community service. Participation in out-of-school programs lowers a student's risk of engaging in risky behaviors such as tobacco, alcohol, or drug use. Hawaii has been recognized as one of the top ten states for providing out-of-school programs, but these programs are not available to students at all schools. Your Committee finds that a uniform out-of-school program would help to ensure that all students can enjoy the benefits of these activities.

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. 3099 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, 1 (Harimoto).

SCRep. 2157 Education on S.B. No. 2624

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, State Public Charter School Commission, Hawaii State Teachers Association, IMUAlliance, and fifteen individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that teachers have historically incurred expenses while trying to create an optimal learning environment for students. These expenses include books in classroom libraries, wall charts, basic classroom supplies for students who do not have their own, and other supplemental materials. In addition, teachers, in trying to provide greater educational opportunities for their students, often incur out-of-pocket expenses associated with student educational travel. Expenses incurred to facilitate student educational travel directly furthers the State's interest in providing a high-quality learning experience for students.

Your Committee has amended this measure by adding travel expenses incurred while supporting students on an educational trip to the types of expenses that are eligible for the tax credit.

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. 2624, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2624, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Harimoto).

SCRep. 2158 Education on S.B. No. 3103

The purpose and intent of this measure is to appropriate funds to assist the Department of Education with its student travel program.

Your Committee received testimony in support of this measure from the Department of Education, State Public Charter School Commission, and two individuals.

Your Committee finds that educational travel provides an important benefit to Hawaii's students. For some students, educational trips are the only opportunity that they have to experience the world outside of their home island. In past years, teachers have researched and organized educational travel on their own time and paid for their own travel expenses so that they can accompany, supervise, chaperone, and guide their students. Due to the beneficial effect that educational travel has on students, the Department of Education should be provided with resources to support teachers in making educational travel available.

Your Committee has amended this measure by inserting an appropriation amount of \$405,000.

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. 3103, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3103, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Harimoto).

SCRep. 2159 Judiciary and Labor on S.B. No. 2438

The purpose and intent of this measure is to:

- (1) Change the source of funding for the operating expenses of the Campaign Spending Commission from the Hawaii election campaign fund to the general revenues of the State; and
- (2) Appropriate an unspecified amount to the Campaign Spending Commission for operating expenses, including staff salaries and fringe benefits.

Your Committee received testimony in support of this measure from the Campaign Spending Commission, Americans for Democratic Action Hawaii, Common Cause Hawaii, League of Women Voters of Hawaii, and two individuals.

Your Committee finds that the Hawaii election campaign fund is the source of funding for the State's partial public funding program. According to the Campaign Spending Commission, for the past seven fiscal years, the Commission has operated at an average net deficit of approximately \$524,000. If this trend continues, the Commission projects that the funds in the Hawaii election campaign fund will be close to depletion as early as August 2017, which may result in the Commission running a limited public funding program. Furthermore, by December 2017, the funds are projected to be near depletion, which will result in the Commission being unable to run the partial public funding program for the 2018 election. This measure restores the original purpose of the Hawaii election campaign fund to fund the partial public funding program while maintaining a consistent funding source for the operating expenses for the Campaign Spending Commission to maintain the partial public funding program.

Your Committee has amended this measure by inserting the appropriation amount suggested by the Campaign Spending Commission to cover the Commission's operating expenses, including salaries and fringe benefits for fiscal year 2017.

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. 2438, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2438, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2160 Judiciary and Labor on S.B. No. 2437

The purpose and intent of this measure is to change the name of the Hawaii election campaign fund to the Hawaii citizens' election fund.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Campaign Spending Commission and one individual.

Your Committee finds that the name of the Hawaii election campaign fund may be misleading. This measure changes the name of the Hawaii election campaign fund to better reflect the purpose of the fund, which is to fund the State's partial public funding program, and promote public awareness and understanding of the fund in hopes of increasing revenue derived from contributions from taxpayers' income tax returns. Your Committee notes that this measure should be contingent upon the passage of S.B. No. 2438, Regular Session of 2016, as amended, which replaces the Hawaii election campaign fund with the general revenues of the State as the funding source for the operating expenses of the Campaign Spending Commission.

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. 2437 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2161 Judiciary and Labor on S.B. No. 2409

The purpose and intent of this measure is to:

- (1) Delete duplicative language awarding grandparents reasonable visitation rights from section 571-46, Hawaii Revised Statutes, relating to the criteria and procedure in awarding custody and visitation; and
- (2) Add language to section 571-46.3, Hawaii Revised Statutes, regarding grandparents' visitation rights that:
 - (A) Requires the courts to make a finding that awarding grandparent visitation is in the best interest of the child and denial of grandparent visitation would cause actual or potential harm to the child;
 - (B) Establishes a rebuttable presumption that a parent's decision regarding visitation is in the best interest of the child, which may be rebutted by a preponderance of the evidence; and
 - (C) Clarifies the court shall be guided by all standards, considerations, and procedures for parent visitation under section 571-46, Hawaii Revised Statutes.

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 two individuals.

Your Committee finds that grandparents today are taking on increasing responsibilities in helping to raise their grandchildren, especially when the children's own parents are unable or unwilling to do so themselves as a result of a lack of financial self-sufficiency, abandonment, mental disorder, minor status, substance abuse, or incarceration. Grandparents may help foster a child's healthy emotional and psychological development, further a child's education, and positively influence a child's well-being.

However, your Committee notes that grandparents may also present an added obstacle in determining whether reasonable visitation rights of grandparents are in the best interest of the child. Your Committee is concerned that in cases of family violence, grandparents may violate the terms and conditions of the court's order without consequence, which may result in assisting family violence perpetrators and enabling perpetuation of family violence. Your Committee further notes that violating the terms and conditions of reasonable visitation is contrary to the best interest of the child, and that court-ordered sanctions are necessary to ensure compliance.

Accordingly, your Committee has amended this measure by:

- (1) Adding language that clarifies that if a grandparent or grandparents of a child violate the terms and conditions of an order awarding reasonable visitation rights, the grandparent or grandparents shall be subject to sanctions or contempt of court;
- (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. 2409, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2409, 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, 2 (Shimabukuro, Slom).

SCRep. 2162 Judiciary and Labor on S.B. No. 2242

The purpose and intent of this measure is to:

- (1) Prohibit any person, other than the voter, from wilfully exhibiting the voter's ballot or the voter's unvoted ballot in a special primary or primary election after the ballot has been marked, except under certain circumstances; and
- (2) Preserves the right for any voter to exhibit the voter's own marked ballot electronically or digitally to other persons, subject to certain conditions.

Your Committee received comments on this measure from the Office of Elections.

Your Committee finds that the prevalence of electronic mobile devices and social media applications and platforms increases the opportunities for people to display their marked ballot via social media. This measure clarifies that voters may disseminate images of their own ballots electronically or digitally.

Your Committee notes the comments from the Office of Elections that it may not be appropriate to amend section 11-137, Hawaii Revised Statutes (HRS), because this section relates to the operation of a polling place. This measure would exempt a voter from the

prohibitions against wilfully exhibiting the voter's own ballot in the polling place and leaving the polling place with the voter's own ballot before casting the ballot. The Office of Elections testified that these prohibitions are meant to prevent voters from declaring at the polling place how they voted and encouraging others in the polling place to vote in the same way.

Accordingly, your Committee has amended this measure by adopting the language suggested by the Office of Elections that deletes the language amending section 11-137, HRS, and inserts language that adds a new section to chapter 11, HRS, to:

- (1) Allow a voter to distribute or share an electronic or digital image of the voter's own marked ballot via social media or other means;
- (2) Establish that distributing or sharing the image of a voter's own marked ballot is not a defense for any election offense; and
- (3) Make 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. 2242, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2242, 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, 1 (Slom).

SCRep. 2163 Ways and Means on H.B. No. 2720

The purpose and intent of this measure is to appropriate funds for the expenses of the Legislature, the Office of the Auditor, the Legislative Reference Bureau, the Office of the Ombudsman, and the Hawaii State Ethics Commission.

Your Committee received testimony in support of this measure from the Office of the Auditor, the Office of the Ombudsman, and the Hawaii State Ethics Commission.

Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that this measure appropriates sufficient funds to defray necessary expenses of the Senate, the House of Representatives, the Office of the Auditor, the Legislative Reference Bureau, the Office of the Ombudsman, and the Hawaii State Ethics Commission for fiscal year 2016-2017. The measure includes a general fund appropriation of \$32,976,505 to defray the following necessary expenses:

- (1) \$8,878,376 to the Senate;
- (2) \$12,130,374 to the House of Representatives;
- (3) \$2,978,549 to the Office of the Auditor;
- (4) \$2,800,000 to the Audit Revolving Fund;
- (5) \$3,463,419 to the Legislative Reference Bureau;
- (6) \$1,216,970 to the Office of the Ombudsman; and
- (7) \$1,009,695 to the Hawaii State Ethics Commission.

The measure also provides funding to the respective houses of the Legislature and legislative service agencies to defray accrued vacation and vacation transfer costs and requires that these moneys be used as the primary funding source to pay for such costs when an employee separates from service with the respective house of the Legislature or legislative service agency. The measure appropriates the following amounts to defray accrued vacation and vacation transfer costs:

- (1) \$150,000 to the Senate;
- (2) \$224,524 to the House of Representatives;
- (3) \$45,825 to the Office of the Auditor;
- (4) \$50,153 to the Legislative Reference Bureau;
- (5) \$11,662 to the Office of the Ombudsman; and
- (6) \$16,958 to the Hawaii 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. 2720, 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, 9. Noes, none. Excused, 2 (Chun Oakland, Taniguchi).

SCRep. 2164 (Joint) Water, Land, and Agriculture and Transportation and Energy on S.B. No. 2377

The purpose and intent of this measure is to support the farming and ranching industries in South Kohala on the island of Hawaii by appropriating funds for planning and engineering studies and designs for construction of:

- (1) Water source development;
- (2) Renewable energy sources for agricultural development and delivery; and

(3) A reservoir to service the agricultural lands surrounding Waimea on the island of Hawaii.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Hawaiian Home Lands, Hawaii Cattlemen's Council, Hawai'i Farm Bureau, and one individual.

Your Committees find that the development of non-potable water resources for farms and ranches in South Kohala on the island of Hawaii is critically necessary to meet the demand for food self-sufficiency, address food security, expand the agricultural economy, and address drought migration. Your Committees further find that a regional agriculture water development plan will identify the storage and distribution improvements necessary to increase capacity, which will lead to increases in diversified agriculture, the establishment of new and larger crop fields for produce and livestock feed, and new opportunities to assist the economy in the region and throughout the State.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2377 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Wakai).

Transportation and Energy: Ayes, 7. Noes, none. Excused, none.

SCRep. 2165 Water, Land, and Agriculture on S.B. No. 3037

The purpose and intent of this measure is to require the Department of Land and Natural Resources to implement a management plan developed by the Hawaiian Islands Land Trust for Lipoa Point on Maui.

Your Committee received testimony in support of this measure from the Aha Moku Advisory Committee, Hawaiian Islands Land Trust, Plantation Estates Lot Owners Association, Makana Aloha Foundation, and fourteen individuals. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and three individuals. Your Committee received comments on this measure from the Save Honolulu Coalition and one individual.

Your Committee finds that Lipoa Point on Maui is an area rich in history and resources, including agricultural terraces, marine resources, and near shore fisheries, and is a place where traditional practitioners continue to gather resources for subsistence. Your Committee further finds that it is necessary for this area to be properly managed to ensure protection of its resources while maintaining access for traditional practitioners, residents, and visitors.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3037 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2166 Water, Land, and Agriculture on S.B. No. 2992

The purpose and intent of this measure is to make an appropriation to the Department of Land and Natural Resources to conduct an inventory survey of Hawaiian sandalwood on the island of Hawaii to determine the abundance, health, and distribution of Hawaiian sandalwood that is currently subject to commercial harvest.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Conservation Council for Hawai'i, and nine individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that Hawaiian sandalwood, 'iliahī, is critically important to Native Hawaiians as part of the symbiotic relationship between the 'iliahī plant, the 'iliahī bird, and the 'iliahī fish and shows the nature connection between the wao akua, the land of the gods, the wao kele, coastal areas, and the po wale, the deep ocean. Your Committee further finds that although this measure addresses only one species of Hawaiian sandalwood, *Santalum paniculatum*, consideration should be given to establishing protections for all six species of Hawaiian sandalwood.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2992 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2167 Water, Land, and Agriculture on S.B. No. 2906

The purpose and intent of this measure is to remove the sunset date of Act 380, Session Laws of Hawaii 1997, as amended, to permanently allow the use of new safe harbor agreements, habitat conservation plans, and incidental take licenses as recovery options for conserving and protecting the State's threatened and endangered species.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Cattlemen's Council, and Sempra U.S. Gas & Power.

Your Committee finds that, as the endangered species capital of the world, Hawaii needs flexibility in its laws to ensure state and federal agencies and private landowners can work cooperatively to protect and conserve endangered species while allowing for responsible development activities and economic growth. Your Committee further finds that safe harbor agreements, habitat

conservation plans, and incidental take licenses have proven to be invaluable tools in the process of recovering the State's endangered species and that it is therefore imperative that these tools remain available options.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2906 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2168 Water, Land, and Agriculture on S.B. No. 2904

The purpose and intent of this measure is to authorize the Department of Land and Natural Resources to establish and operate aquatic mitigation banks to restore, create, enhance, or preserve aquatic habitats or resources as compensatory mitigation, where a person is required to provide compensatory mitigation prospectively and the use of banked mitigation is approved by the agency requiring mitigation, or for past damages to aquatic habitats or resources.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, and three individuals.

Your Committee finds that aquatic mitigation banks restore, create, enhance, or preserve aquatic habitats or resources to recover the ecological functions, services, and value of aquatic resources lost by adverse impacts to other similar aquatic habitats. Mitigation banks serve as a mechanism to restore or replace aquatic resources and ecological functions of aquatic habitats either prospectively or after they have been damaged; therefore, your Committee finds that mitigation banks are a first step in the process of creating innovative mechanisms for aquatic resource conservation in the State.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2904 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2169 Water, Land, and Agriculture on S.B. No. 2900

The purpose and intent of this measure is to:

- (1) Clarify that the Board of Land and Natural Resources may lease all fast lands and submerged lands within any existing state boating facility without prior authorization of the Legislature by concurrent resolution as existing law requires pursuant to section 171-53, Hawaii Revised Statutes; and
- (2) Repeal a reference to section 200-2.6, Hawaii Revised Statutes, within section 200-2.5, Hawaii Revised Statutes, to clarify the means by which the Board of Land and Natural Resources may lease fast lands and submerged lands within an existing boat facility.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources. Your Committee received testimony in opposition to this measure from Ocean Tourism Coalition, Lahaina Divers, Quiksilver Charters, and one individual.

Your Committee finds that the Department of Land and Natural Resources operates and manages twenty-one harbors, which include underdeveloped areas and facilities in need of maintenance and repair. Your Committee acknowledges the opposition to this measure, but because this is an important administrative measure to the Department of Land and Natural Resources, your Committee recommends passage of this measure on Second Reading to facilitate further discussion.

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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2900, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2900, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2170 Water, Land, and Agriculture on S.B. No. 2902

The purpose and intent of this measure is to increase the current rate of the liveaboard fee for state small boat harbors and clarify that the liveaboard fee may be increased or decreased by rules adopted 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.

Your Committee finds that the State has one hundred sixty-four liveaboard slips located in the Ala Wai and Keehi Lagoon small boat harbors. Liveaboard permittees pay a fee to reside on their vessels, to offset increased costs for facilities and security, and that fee has not been increased since 1991. Your Committee further finds that increasing the liveaboard fee is necessary to cover increased costs and that authorizing the Department of Land and Natural Resources to adjust liveaboard fees by rule is consistent with other mooring and commercial maritime fees that are similarly adjusted by rule.

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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2902, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2902, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2171 Water, Land, and Agriculture on S.B. No. 2990

The purpose and intent of this measure is to appropriate monies to the Hawaii Association of Conservation Districts to assist with its staffing and operating costs while providing time for the districts to develop sustainable funding mechanisms.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Association of Conservation Districts; Central Maui Soil and Water Conservation District; South Oahu Soil and Water Conservation District; Hawaii Cattlemen's Council; Maui County Farm Bureau; Land Use Research Foundation of Hawaii; Larry Jefts Farms, LLC; and eighteen individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and Hana Soil and Water Conservation District.

Your Committee finds that the Hawaii Association of Conservation Districts assists government agencies in identifying and implementing culturally sensitive projects and practices to ensure the protection of Hawaii's environment. These efforts have brought millions of dollars to Hawaii to improve farm practices, reduce erosion, improve ocean and drinking water quality, fight invasive species, improve public safety, protect property, conserve water, and strengthen the economy. Your Committee further finds that county grading permit reviews and conservation plans are critical to preserve the environment, stimulate the economy, and maintain individual livelihoods; however, as increased demand and accompanying workload for this service and others have caused conservation districts to struggle to keep pace with the demand, increased resources are needed.

Your Committee has amended this measure by inserting an appropriation amount of \$100,000.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2990, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2990, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2172 (Joint) Hawaiian Affairs and Water, Land, and Agriculture on S.B. No. 2973

The purpose and intent of this measure is to establish a general excise tax at the wholesale rate of one-half of one percent for the gross proceeds or income from the sale of all products produced by Hawaiian loko i'a.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Pacific American Foundation, 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 Taxation, Department of the Attorney General, and Tax Foundation of Hawaii.

Your Committees note the testimony of the Department of Taxation expressing concerns that the Department of Taxation does not have the expertise to differentiate the products produced by Hawaiian loko i'a from other similar products that may be produced and sold by other aquaculture systems.

Accordingly, 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 Hawaiian Affairs and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2973, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2973, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Slom).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Ruderman, Wakai).

SCRep. 2173 (Joint) Public Safety, Intergovernmental, and Military Affairs and Government Operations on S.B. No. 2197

The purpose and intent of this measure is to:

- (1) Require the Attorney General to ensure that all state agencies and departments who employ law enforcement officers report annually to the Legislature on specified information concerning firings, forced resignations, alleged criminal activity, grievances, and incidents of a sexual nature; and
- (2) Require the Department of Transportation, Department of Land and Natural Resources, Department of Public Safety, and county police departments to submit those annual reports.

Your Committees received testimony in support of this measure from the Department of Public Safety; Department of Land and Natural Resources; Department of Transportation; Ho‘omana Pono, LLC; American Civil Liberties Union of Hawaii; Hawaii State Coalition Against Domestic Violence; and three individuals.

Your Committees find that transparency and accountability in law enforcement agencies create greater public trust in these agencies. This measure proposes a mechanism for mandatory reporting of information regarding misconduct by law enforcement officers with the intent that timely, consistent exposure of any misconduct by law enforcement officers will provide opportunities for correction of that misconduct and improved law enforcement.

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 Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2197, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2197, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Shimabukuro, Tokuda, Slom).

SCRep. 2174 (Joint) Public Safety, Intergovernmental, and Military Affairs and Government Operations on S.B. No. 2194

The purpose and intent of this measure is to:

- (1) Require each county police department and all state departments and agencies having law enforcement functions to submit their respective crime statistics to the Attorney General; and
- (2) Require the Attorney General to transmit that data to the Federal Bureau of Investigation for its Uniform Crime Reporting Program.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Transportation, Department of the Attorney General, The Humane Society of the United States, Hawaii State Coalition Against Domestic Violence, Remington College Criminal Justice, and sixteen individuals.

Your Committees find that crime statistics are an important tool used by law enforcement agencies to determine the most effective allocation of resources. Sharing of information between law enforcement agencies at the state and county levels helps agencies to coordinate their enforcement efforts and better serve and protect the public. Sharing of information at the national level allows agencies to coordinate and assist one another on a large scale. Your Committees find that this measure will allow law enforcement agencies in Hawaii to more effectively stay informed and carry out their duties.

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 Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2194, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2194, S.D. 1, and be referred to your 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 (Inouye, Slom).

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Shimabukuro, Tokuda, Slom).

SCRep. 2175 Education on S.B. No. 2425

The purpose and intent of this measure is to ensure that Hawaii’s students will be able to benefit from opportunities for educational travel by exempting acceptance of free travel for teachers that plan, organize, and serve as chaperones on certain types of student educational trips from certain provisions of the State Ethics Code.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, IMUAlliance, and eighteen individuals. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission.

Your Committee finds that educational trips to neighbor islands, the continental United States, and international destinations expand the horizons of Hawaii’s students and provide opportunities for students to engage in real life experience that promote critical thinking and collaborative problem-solving. Such trips are a great benefit to students not only in their academic careers, but throughout their lives.

Your Committee further finds that teachers often spend months planning these trips, ensuring that these educational opportunities are aligned with classroom lessons and the Department of Education’s general learner outcomes. Much of the planning is done outside of the classroom, on teachers’ own time. Once on these trips, which usually occur when teachers would otherwise be on vacation, the teachers are chaperoning students twenty-four hours a day, essentially volunteering their time so that students can benefit from these educational opportunities.

Teacher travel is sometimes, but not always, subsidized by tour companies. It should be noted that tour companies usually offer subsidized trips to many others who book large groups. For many teachers, without this assistance they would not be able to afford to provide these educational opportunities to Hawaii’s students. However, while this has been common practice for nearly thirty years, the Hawaii State Ethics Commission issued Advisory Opinion No. 2015-1 finding that acceptance of any free travel was a violation of

the State Ethics Code. This broad application ultimately resulted in the cancellation of trips that teachers, parents, and students had planned and fundraised for months, and sometimes years, in advance. Going forward, this Advisory Opinion has the unfortunate consequence of limiting opportunities for Hawaii's students to have educational experiences that bring classroom content to life.

Your Committee believes that it is imperative that Hawaii's students continue to have these educational opportunities. Coming from an island state, Hawaii's students cannot travel with the same ease and affordability as students on the mainland. Educational trips organized by teachers may be the only opportunity some students will ever have to see the world outside of Hawaii or even outside of their own island.

Your Committee notes that the Attorney General has issued AG Op. No. 15-2, which clarifies that the Legislature determines the scope of the State Ethics Code and that while specific conduct may be exempted from the State Ethics Code, specific classes of employees may not.

Accordingly, your Committee has amended this measure by:

- (1) Adding language allowing, under certain circumstances, a state employee to engage in extracurricular service without violating part II of the State Ethics Code;
- (2) Adding language to clarify that a state employee may receive detached remuneration for the performance of extracurricular services; provided that certain criteria are met;
- (3) Adding definitions for "detached remuneration" and "extracurricular service";
- (4) Removing language exempting teachers who plan, organize, or serve as chaperones on student educational trips who receive a travel benefit, incentive, or gift from a tour or travel company from the gifts, fair treatment, and conflicts of interest provisions of the State Ethics Code; 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. 2425, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2425, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Harimoto).

SCRep. 2176 (Joint) Education and Human Services on S.B. No. 2386

The purpose and intent of this measure is to require that public schools post signs that include the child abuse or neglect hotline in high traffic locations to encourage students who are victims of abuse or neglect to seek help and let those students know that resources exist to help them.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the Department of Education and Department of Human Services.

Your Committees find that students who are victims of abuse or neglect often do not seek help or report their situations. Teachers are not always able to recognize when students are being abused or neglected. Children are a particularly vulnerable group, and victims of abuse or neglect are sometimes unaware that support networks and resources exist to help them. Greater visibility of these resources could encourage students who are victims of abuse or neglect to report their situations and receive help.

As affirmed by the records of votes of the members of your Committees on Education and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2386 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).
Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Harimoto, Ruderman).

SCRep. 2177 Housing on S.B. No. 2093

The purpose and intent of this measure is to restore the allocation of conveyance tax collections to the rental housing revolving fund to fifty percent, without a \$38,000,000 cap.

Your Committee received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor, Hawaii Housing Finance and Development Corporation, Catholic Charities Hawai'i, Ali'i Pauahi Hawaiian Civic Club, The CHOW Project, Hawai'i Association of REALTORS, Partners in Care, Hawaii Appleseed Center for Law and Economic Justice, and one individual. Your Committee received comments on this measure from FACE and Tax Foundation of Hawaii.

Your Committee finds that there is a serious need to develop affordable rental housing in Hawaii to meet the needs of individuals and families who are homeless or at risk of becoming homeless. In fiscal year 2015, the rental housing revolving fund received \$39,500,000 in conveyance tax revenues to support projects that set aside rental units that are affordable to extremely and very low-income families. This measure will help to expand the much needed affordable rental housing opportunities for Hawaii residents and address the unique challenges related to affordable rentals.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2093 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Green, Ihara, Slom).

SCRep. 2178 Housing on S.B. No. 2998

The purpose and intent of this measure is to appropriate funds for the repair and maintenance of existing public housing stock in the State.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and United Public Workers, AFSCME, Local 646. Your Committee received comments on this measure from the Coordinator on Homelessness under the Office of the Governor.

Your Committee finds that the Hawaii Public Housing Authority is the sole statewide public housing agency of the State. The Authority's portfolio of eighty-five properties comprises 6,195 units that serve over 6,100 families or more than 20,000 individuals. The 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, repair, and maintain many of the State's public housing units.

Your Committee has amended this measure by specifying that the appropriation to the Hawaii Public Housing Authority be a lump sum appropriation to be used for plans, design, construction, equipment, and development for the renovation, improvement, upgrade, and development of the Hawaii Public Housing Authority's facilities statewide.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2998, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2998, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Green, Ihara, Slom).

SCRep. 2179 Transportation and Energy on S.B. No. 2738

The purpose and intent of this measure is to replace the current renewable energy technology systems tax credit with tax credits for solar energy property, wind energy property, and energy storage property and require the Department of Taxation and Department of Business, Economic Development, and Tourism to report tax credits claimed and make recommendations to the Legislature.

Your Committee received testimony in support of this measure from the Distributed Energy Resources Council, Hawaii Solar Energy Association, Renewable Energy Action Coalition of Hawaii, and Inter-Island Solar Supply. 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 tax incentives for solar and wind energy should be adopted by the State to advance the growth of renewable energy and, at a state level, accelerate progress toward a one hundred per cent renewable energy goal by 2045. Your Committee believes that allowing tax credits to incentivize traditional grid connected solar systems and energy storage systems will bolster renewable energy in Hawaii. With recent changes in solar policy there will be a greater emphasis within the market for energy storage systems. These tax incentives will accelerate the innovation and adoption of energy storage and benefit customers, the utility, and the State.

Your Committee has amended this measure by deleting its contents and inserting the contents of H.B. No. 2236. Your Committee further amended this measure by:

- (1) Limiting the qualifying income tax credit for each storage property that is installed and first placed in service by a taxpayer during the taxable year, if the cost of the energy storage property is not also included in the basis of solar or wind energy property, to disallow double credits;
- (2) Clarifying the definition of "basis" to include solar energy, wind energy, or energy storage property;
- (3) Clarifying the definition of "energy storage property" to include batteries, grid-interactive water heaters, and ice storage air-conditioners that store electricity as electrical, chemical, thermal, or mechanical energy and deliver the energy back to an electric utility at a later time;
- (4) Extending the period in which the tax credit applies for each applicable cap amount; 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 and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2738, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2738, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (English, Nishihara, Slom).

SCRep. 2180 (Joint) Water, Land, and Agriculture and Transportation and Energy on S.B. No. 2641

The purpose and intent of this measure is to establish preferential rates for the purchase of energy for agricultural activities and to require electric and gas utilities to provide incentives for agricultural customers to acquire energy storage technology to support the viability of agricultural activities in the State.

Your Committees received testimony in support of this measure from the Department of Agriculture; Hawaii Cattlemen's Council, Inc.; Land Use Research Foundation of Hawaii; Hawai'i Farm Bureau; Ulupono Initiative; and one individual.

Your Committees find that reductions to the cost of energy used for agricultural production are beneficial to the State.

Your Committees have heard the Public Utilities Commission's testimony and believes that the Commission should have the flexibility and discretion to select the most efficient and appropriate method to establish preferential rates without going through the formal rulemaking process. Your Committees also find the Ulupono Initiative's suggested amendments appropriate to help stabilize energy consumption demand and to ensure a fair, transparent, and non-discriminatory process in the Public Utilities Commission's approval of preferential rates.

Your Committees have therefore amended this measure by:

- (1) Deleting language that would have required the Public Utilities Commission to adopt rules pursuant to chapter 91, Hawaii Revised Statutes;
- (2) Replacing the term "preferential rates" with "preferential off-peak rates";
- (3) Inserting language to require the Public Utilities Commission to notify the public of a request for a preferential off-peak rate, consider public comments, and approve the request only if the Public Utilities Commission determines that the requested preferential off-peak rate will provide benefit to ratepayers through improved system operations or other impacts; 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, Land, and Agriculture and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2641, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2641, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Wakai).

Transportation and Energy: Ayes, 7; Ayes with Reservations (Kidani). Noes, none. Excused, none.

SCRep. 2181 Commerce, Consumer Protection, and Health on S.B. No. 2284

The purpose and intent of this measure is to appropriate funds for three full-time equivalent permanent positions within the Office of Language Access.

Your Committee received testimony in support of this measure from the Office of Language Access, Office of Language Access Advisory Council, Hawaii Filipino Lawyers Association, and three individuals.

Your Committee finds that the Office of Language Access is charged with providing oversight, central coordination, and technical assistance to state and state-funded agencies in their implementation of language access compliance, which is a civil right under federal and state law. While the Office of Language Access was initially able to provide much needed services and guidance to agencies as the agencies worked toward compliance with federal and state law, a reduction in staff has made it difficult for the Office of Language Access to provide adequate technical assistance and compliance monitoring that meet agencies' needs.

Your Committee further finds that in the last few years, there has been an increase in legal action and compliance monitoring from civil rights divisions of various federal agencies. Because there have been instances where state departments and county agencies have been subject to legal action for lack of compliance, your Committee finds that the services of the Office of Language Access in assisting state and state-funded agencies in understanding and meeting certain civil rights obligations to provide language access are critical in avoiding costly penalties and expenses or the loss of federal funding.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2284 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2182 Commerce, Consumer Protection, and Health on S.B. No. 2064

The purpose and intent of this measure is to appropriate funds to restore staff and long-term care services at Leahi and Maluhia hospitals within the Hawaii Health Systems Corporation.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Oahu Region; United Public Workers, AFSCME, Local 646; and nineteen individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that Leahi and Maluhia hospitals, two state-run long-term care facilities within the Oahu Region of the Hawaii Health Systems Corporation, have served for many years as a safety net for working class families. Both hospitals serve the highest number of individuals on Medicare and Medicaid, while reimbursements for care provided continue to decline. It is nearly impossible for Leahi and Maluhia hospitals to recover the actual costs of providing quality care without the support of government funding, as the current cost of care per person is \$400 per day and the reimbursement per person is \$200 per day.

Your Committee further finds that Leahi and Maluhia hospitals were forced to cut sixty-four staff positions and temporarily halt new admissions to remain operational due to an estimated \$3,700,000 deficit in fiscal year 2016. Furthermore, some residents experienced displacement to other facilities because of reduced services and a loss of seventy-six resident beds. It is critical to restore these staff positions and long-term care services for Hawaii's working class families in order to provide quality care for the State's kupuna population.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2064 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2183 (Majority) Government Operations on S.B. No. 2158

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 Committee received testimony in opposition to this measure from the International Bottled Water Association.

Your Committee finds that the prohibition of the expenditure of state funds by state agencies for the purchase of single-serving bottled water, except in emergency or natural disaster situations, will reduce the use of plastic water bottles in the State. Your Committee recognizes that the prohibition does not include the procurement of five-gallon water bottles or coolers that are often seen in dispensers. The implementation of this measure will reduce the production of waste and decrease the use of disposable plastics in 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 is in accord with the intent and purpose of S.B. No. 2158 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 2184 Government Operations on S.B. No. 2638

The purpose and intent of this measure is to appropriate funds to the Department of Accounting and General Services for the operations of the State Building Code Council.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, State Building Code Council, Hawaii State Fire Council, Honolulu Fire Department, Kauai Fire Department, Building Industry Association of Hawaii, Subcontractors Association of Hawaii, Laborers' International Union of North America Local 368, and American Council of Engineering Companies of Hawaii.

Your Committee finds that the State Building Code Council has the authority to adopt, amend, or update the Hawaii state building codes, applicable to all building construction in the State. However, the Council has not received any funding since the Council's inception in 2007, and the existing state building codes are not in compliance with national standards. Implementation of this measure will provide the State Building Code Council with the funds necessary to modernize the State's building codes, safeguarding life, property, and the general welfare of the citizens 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 is in accord with the intent and purpose of S.B. No. 2638 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2185 Government Operations on S.B. No. 2655

The purpose and intent of this measure is to require the filing of monthly, quarterly, and semiannual general excise tax returns on the last day of the respective applicable month, rather than the twentieth day of the month, applicable to returns and payments due on or after January 1, 2017.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and The Hawaii Business League.

Your Committee finds that since the inception of the general excise tax, the periodic returns required by the tax system had been due on the last day of the month following the end of the tax period. However, Act 196, Session Laws of Hawaii of 2009, accelerated the filing and payment of general excise taxes and thus currently requires general excise tax returns to be filed on the twentieth day of the applicable month. Taxpayers do not always have all the information necessary to file an accurate general excise tax return by the twentieth day of the month and often need additional information that is typically available by the last day of the month. Implementation of this measure will return the due date for general excise tax returns to the last day of the applicable month and provided better assurance that taxpayers have sufficient time to gather the information necessary to file accurate general excise tax returns.

Your Committee has amended this measure by:

- (1) Inserting language to require the filing of annual general excise tax returns on the last day of the respective applicable month, rather than the twentieth day of the month, applicable to returns and payments due on or after January 1, 2017; 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. 2655, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2655, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Tokuda).

SCRep. 2186 (Majority) Judiciary and Labor on S.B. No. 2155

The purpose and intent of this measure is to:

- (1) Require the Employees' Retirement System (ERS) to identify fossil fuel companies in which the ERS has direct or indirect holdings and create a list of fossil fuel companies in which the ERS has direct holdings by January 1, 2017; provided that the list is updated on a quarterly basis;
- (2) Require the ERS to divest of all direct and indirect holdings in fossil fuel companies over a period of five years; provided that the ERS is not required to divest indirect holdings in actively managed investment funds and may reinvest in fossil fuel companies under certain conditions;
- (3) Prohibit the ERS from investing in fossil fuel companies; and
- (4) Require the ERS to report to the Legislature the list of fossil fuel companies in which the ERS has direct holdings within ninety days of creation of the list and annually thereafter report to the Legislature divestments, prohibited investments, and progress made.

Your Committee received testimony in support of this measure from Americans for Democratic Action; 350Hawaii.org; Sierra Club of Hawai'i, Oahu Group; Sierra Club of Hawai'i; Surfrider Foundation; Hawaii Center for Food Safety; Trees to Seas; and twenty-seven individuals. Your Committee received testimony in opposition to this measure from the Employees' Retirement System and Hawaii Government Employees Association. Your Committee received comments on this measure from one individual.

Your Committee finds that in the last five years, the energy sector has lost more than three percent of its value on the Standard & Poor's 500, while the rest of the market has grown more than ten percent. Various cities across the country have divested public pension funds of all holdings in fossil fuel companies, and no damage to these investment portfolios has been reported. Implementation of this measure will help assure that the State's largest public sector investment fund is financially solvent to benefit the fund's beneficiaries in the long term.

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. 2155, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2155, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4; Ayes with Reservations (Kim). Noes, 1 (Slom). Excused, 1 (Thielen).

SCRep. 2187 Judiciary and Labor on S.B. No. 2244

The purpose and intent of this measure is to:

- (1) Establish that a member of the Employees' Retirement System who first earned credited service as a judge after June 30, 2016, and has at least twelve years of credited service and attained the normal retirement age, or has at least twenty-five years of credited service and has attained age fifty-five is eligible to receive a pension after retirement;
- (2) Reduce the retirement allowance for a member who first earned credited service as a judge after June 30, 2016, to two percent of the member's average final compensation, reduced for each month the member's age at the date of retirement is below the normal retirement age; and
- (3) Define "normal retirement age" as age sixty-five.

Your Committee received testimony in opposition to this measure from the Judiciary. Your Committee received comments on this measure from the Employees' Retirement System and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that there have been various revisions to the Employees' Retirement System, and implementation of this measure is necessary to maintain reasonable and fair benefits under the Employees' Retirement System.

Your Committee has amended this measure by:

- (1) Replacing any reference to "normal retirement age" in the amendments proposed by this measure with "age sixty" and deleting the definition for the term "normal retirement age";
- (2) Making conforming amendments; 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. 2244, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2244, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2188 Judiciary and Labor on S.B. No. 2443

The purpose and intent of this measure is to:

- (1) Require the recount of all votes cast for any office at any election, at no cost to any candidate, when the margin of victory is less than two hundred fifty votes or less than one percent of the votes cast, whichever is less;
- (2) Require that the mandatory recount of votes be completed and results announced no later than the fifteenth day following the election;
- (3) Require the Chief Election Officer to adopt rules to implement a mandatory recount of votes; and
- (4) Amend the laws relating to the certification of election results and contests for cause in primary elections to reflect the establishment of a mandatory recount of votes system.

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 there have been a number of close election races in Hawaii in the past. This measure establishes a process for the automatic recounting of votes cast in the event of a close election result at no cost to the candidates.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Office of Elections to:
 - (A) Require that the mandatory recount of votes be completed and the results announced no later than nine days, rather than fifteen days, after the election;
 - (B) Clarify that a mandatory recount of votes applies to votes counted pursuant to section 11-151, Hawaii Revised Statutes; and
 - (C) Require that a complaint pertaining to votes subject to a mandatory recount be filed with the Supreme Court no later than thirteen days following the election rather than the fifth day after the public announcement of the results of the mandatory recount;
- (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. 2443, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2443, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2189 Judiciary and Labor on S.B. No. 2444

The purpose and intent of this measure is to:

- (1) Require the Office of Elections to join the Electronic Registration Information Center and share information with the counties pursuant to the terms of the membership agreement;
- (2) Require the Office of Elections and the county offices that administer elections to verify their respective voter registration rolls; and
- (3) Appropriate funds to the Office of Elections to join the Electronic Registration Information Center and require the Office of Elections to request, as part of its annual budget, an appropriation from the Legislature to cover annual membership dues.

Your Committee received testimony in support of this measure from the Office of Elections, Common Cause Hawaii, and one individual. Your Committee received comments on this measure from the Office of the County Clerk, County of Kaua'i; Office of the County Clerk, County of Hawai'i; and League of Women Voters of Hawaii.

Your Committee finds that the Electronic Registration Information Center is a nonprofit organization that helps states improve the accuracy of voter registration rolls by using secure data-matching tools. States who are members of the Electronic Registration Information Center have reported an increase in voter registration through improved access to the registration process, reduction in provisional ballots and shorter lines at polling places due to clarity in registration status and accuracy of registration data, and improvements in record keeping for election administration offices. By requiring the Office of Elections to join the Electronic Registration Information Center, this measure will help the State to realize the same benefits reported by states that are already members.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Office of Elections to authorize the electronic transmission of databases containing driver's license and civil identification card information to election officials and the statewide voter registration system;
- (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. 2444, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2444, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2190 Judiciary and Labor on S.B. No. 2551

The purpose and intent of this measure is to require the Judiciary to submit an annual report to the Legislature regarding certain information of each non-general fund account of the Judiciary.

Your Committee received testimony in support of this measure from the Judiciary and Office of the Auditor.

Your Committee finds that existing law requires executive branch departments to submit annual reports to the Legislature regarding each department's management of non-general funds. This measure applies the same requirement to the Judiciary to enable the Legislature to make better state budgetary decisions.

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. 2551 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2191 (Majority) Judiciary and Labor on S.B. No. 2445

The purpose and intent of this measure is to exempt candidates who are already declared elected to office after running unopposed in an election from the prohibition on using election campaign funds to make charitable donations and to award scholarships until the general election.

Your Committee received testimony in support of this measure from one individual. 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 Campaign Spending Commission.

Your Committee finds that candidates are prohibited from using campaign funds for certain purposes, such as making charitable donations and awarding scholarships, from the filing of nomination papers to the general election, presumably because these uses may be interpreted as attempts to buy votes. This measure provides candidates who become elected to office prior to a general election the opportunity to use campaign funds for purposes of making charitable donations or awarding scholarships, as they no longer need to acquire votes to prevail in the election.

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. 2445 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, 1 (Thielen). Excused, 1 (Slom).

SCRep. 2192 Human Services on S.B. No. 2018

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 establish a program within the Department of Human Services to assist homeless individuals who suffer from multiple chronic diseases find housing opportunities in the community and to obtain federal moneys to implement and carry out 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2018, as amended herein, and recommends that it be recommitted to your Committee on Human Services, in the form attached hereto as S.B. No. 2018, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2193 Ways and Means on S.B. No. 2553

The purpose and intent of this measure is to repeal and abolish certain non-general funds and accounts of the Department of Human Services, as recommended by the Auditor in Report No. 15-19.

Specifically, this measure repeals or abolishes the:

- (1) Child Care Licensing and Registration Special Fund;
- (2) Housing Project Bond Special Funds;
- (3) Blueprint for Change Program Special Fund;
- (4) Costs Related to Homeless Assistance Special Fund;

- (5) Hale Mahaolu Special Fund;
- (6) Hawaii Immigrant Health Initiative Program Special Fund;
- (7) Outreach Services Special Fund;
- (8) Outreach Services to Locate Uninsured Children Special Fund;
- (9) Outstationed Eligibility Worker Services Special Fund;
- (10) Shelter Plus Care Program Special Fund;
- (11) Support Domestic Violence Shelters Statewide Special Fund;
- (12) Financial Assistance for Housing Special Fund;
- (13) Department of Human Services Homeless Trust Fund;
- (14) Geist Foundation Trust Account;
- (15) Kahikolu Ohana O Waianae Project Trust Fund; and
- (16) Recruitment of Foster Parents Trust Account.

Your Committee received testimony in support of this measure from the Office of the Auditor. Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, in 2015, 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. 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 emergency and budget reserve fund or general fund, as specified 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 S.B. No. 2553 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, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Riviere).

SCRep. 2194 (Joint) Hawaiian Affairs and Judiciary and Labor on S.B. No. 2868

The purpose and intent of this measure is to lower to one-thirty-second Hawaiian the blood quantum required by a homestead lessee's husband, wife, children, grandchildren, brothers, or sisters in order to succeed to the lessee's lease.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands; KA Farmers; Pana'ewa Hawaiian Home Lands Community Association; Association of Hawaiian Civic Clubs; and eighteen individuals. Your Committees also received a petition of support signed by numerous 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 one individual.

Your Committees find that as Hawaiian homestead communities age, lessees who are one-quarter Hawaiian may lose leases that have been in their family for several generations because their descendants lack the minimum blood quantum. The Department of Hawaiian Home Lands testified that it receives requests from beneficiaries to reduce the blood quantum requirement for successors. This measure would help these families retain homestead leases within their families as the amount of Hawaiian blood quantum within the family may diminish over time.

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 are in accord with the intent and purpose of S.B. No. 2868, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2868, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Thielen).

SCRep. 2195 Ways and Means on S.B. No. 2552

The purpose and intent of this measure is to repeal and abolish certain non-general funds of the Department of Health, as recommended by the Auditor in Report No. 15-17.

Specifically, this measure repeals or abolishes the:

- (1) Early Intervention Trust Fund;
- (2) Early Childhood Obesity Special Fund;

- (3) Grant for Catholic Charities-Lanakila Senior Center Special Fund;
- (4) Grant for Emergency Room Subsidy at Waianae Coast Clinic Special Fund;
- (5) Grant for Hawaii Primary Care Association Dental Special Fund;
- (6) Hospital-Based Poison Center Special Fund;
- (7) Program for All Inclusive Care for Elderly Special Fund;
- (8) Resources to Nonprofit, Community-Based Health Care Special Fund;
- (9) Subsidy for St. Francis Medical Center-Bone Marrow Special Fund;
- (10) Funding for Grant Pursuant to Chapter 42F, Hawaii Revised Statutes, Special Fund;
- (11) Healthy Aging Partnerships Program Special Fund;
- (12) Partnership in Community Living Program Special Fund; and
- (13) Hilo Shippers' Wharf Committee Charitable Trust Fund.

Your Committee received testimony in support of this measure from the Office of the Auditor. Your Committee received written comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, in 2015, the Auditor reviewed the non-general funds and accounts of the Department of Health to determine whether each fund or account continues to serve its intended purpose and meet statutory criteria. Your Committee further finds that the Auditor concluded that the funds repealed and abolished by this measure no longer serve their intended purpose or meet statutorily-established criteria. Accordingly, your Committee believes that it is appropriate to repeal and abolish these non-general funds and to transfer any remaining unencumbered balances to the general fund, emergency and budget reserve fund, or county of Hawaii, as specified in the measure.

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 S.B. No. 2552, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2552, 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 (Galuteria, Harimoto, Riviere).

SCRep. 2196 Economic Development, Environment, and Technology on S.B. No. 3012

The purpose and intent of this measure is to:

- (1) Reduce the corporate income tax rate by fifty percent; and
- (2) Beginning on January 1, 2017, allocate fifty percent of corporate income tax revenues to the operating budget of the Department of Business, Economic Development, and Tourism and fifty percent to the general fund.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development and Tourism and Chamber of Commerce Hawaii. Your Committee received testimony in opposition to this measure from Americans for Democratic Action and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that a reduction in corporate income tax will alleviate some of the costs of doing business in the State and spark economic growth. Your Committee has heard the Department of Business, Economic Development, and Tourism's testimony and finds the HI Growth Initiative to be a project that should be supported by corporate income tax revenue.

Your Committee has amended this measure by:

- (1) Reducing the corporate income tax rate by twenty-five percent, rather than fifty percent;
- (2) Deleting language that would have allocated fifty percent of corporate income tax revenues to the Department of Business, Economic Development, and Tourism; and
- (3) Inserting language to allocate \$5,000,000 of corporate income tax revenues to the HI Growth Initiative until January 1, 2022, with the remaining revenues to be deposited in the general fund.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3012, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3012, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Ruderman).

SCRep. 2197 Economic Development, Environment, and Technology on S.B. No. 2504

The purpose and intent of this measure is to establish a commercialization loan program, known as the Hawaii high impact loan program for commercialization (HI-impact), to support Hawaii-based small businesses in the fields of dual-use technologies, tourism-

technology, agriculture-technology, manufacturing-technology, sports-technology, finance-technology, building and construction-technology, and other cross-industry collaborations, excluding energy generation technology, within Hawaii's technology sector.

Your Committee received testimony in support of this measure from the High Technology Development Corporation; Hawaii Strategic Development Corporation; Chamber of Commerce Hawaii; Oceanit; Makai Ocean Engineering, Inc.; mbloom Ventures, LLC; and two individuals.

Your Committee finds that to be successful in the twenty-first century global economy, Hawaii must position itself as a leader in technology development, transfer, and commercialization. Although significant progress has been made by federal and state initiatives and programs administered by the High Technology Development Corporation, Hawaii Strategic Development Corporation, and Hawaii Technology Development Venture, more is required for Hawaii's technology industry to achieve local technology commercialization and success in the global marketplace.

Your Committee further finds that under the HI-impact program proposed by this measure, funding for a first investment of up to \$100,000 is adequate and funding for a second investment is unnecessary. Your Committee also notes that this measure refers to program requirements specified and parameters set by the Department of Business, Economic Development, and Tourism, although the HI-impact program is established within the Hawaii Technology Development Corporation. Your Committee recommends that your Committee on Ways and Means consider whether the High Technology Development Corporation should be the only agency developing program requirements under this measure.

Your Committee has amended this measure by:

- (1) Deleting language that would have allowed funding for a second investment;
- (2) Amending language to require the hiring of an administrator, as is consistent with the requirements 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2504, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2504, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Ruderman).

SCRep. 2198 Economic Development, Environment, and Technology on S.B. No. 2793

The purpose and intent of this measure is to:

- (1) Extend, until June 30, 2023, the provisions of Act 264, Session Laws of Hawaii 2013 (Act 264), which establishes deadlines for certain actions of the State and the counties relating to broadband-related permits, facilities, and weight load for utility poles; and
- (2) Extend, until January 1, 2022, exemptions from certain state and county requirements for actions relating to the installation, improvement, construction, or development of infrastructure relating to broadband service or broadband technology.

Your Committee 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; Hawaiian Telcom; Hawaiian Electric Companies; Chamber of Commerce Hawaii; and Oceanic Time Warner Cable. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that improvement in the efficiencies of the broadband-related permitting process allows for greater private sector participation and increased competition in Hawaii's broadband sector. Increased broadband capacity is necessary for the State to enable rapid access to information, accelerate business development, connect first responders more efficiently, create telehealth opportunities for the healthcare industry, enhance educational resources, improve telecommunications and telecommuting, and enable smart grid technology.

Your Committee has amended this measure by removing the extension of the exemption provisions for certain actions relating to broadband infrastructure.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2793, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2793, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Ruderman).

SCRep. 2199 Economic Development, Environment, and Technology on S.B. No. 3011

The purpose and intent of this measure is to make an appropriation to the High Technology Development Corporation for the provision of technology internship grants and development of programs to support the local talent pipeline for the technology industry.

Your Committee received testimony in support of this measure from the High Technology Development Corporation, Chamber of Commerce Hawaii, and one individual.

Your Committee finds that the High Technology Development Corporation is a key agency in developing the technology industry in the State. Your Committee further finds that internships have proven to be an effective way to introduce talent to careers in the

technology industry and provide startup companies with resources to help them grow to the next level. Support of local talent is imperative to achieve the High Technology Development Corporation's goal of creating eighty thousand new technology and innovation jobs earning more than \$80,000 per year by 2030.

Your Committee has amended this measure by:

- (1) Reducing the internship grant cap to \$1,250 per intern and \$2,500 per company per year; and
- (2) Reducing the appropriation amount to \$125,000.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3011, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3011, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Ruderman).

SCRep. 2200 Ways and Means on S.B. No. 2117

The purpose and intent of this measure is to facilitate the absentee voting process by allowing:

- (1) A permanent absentee voter to temporarily receive a ballot at an alternate address within an election cycle; and
- (2) A voter to receive and return an absentee ballot by electronic transmission, if the voter requires a ballot within five days of an election or would otherwise not be able to return a ballot by the close of polls.

Your Committee received written comments in support of this measure from the Office of Elections, the County of Maui Office of the County Clerk, and the County of Kauai Office of the County Clerk.

Your Committee finds that this measure will benefit absentee voters who need to replace a spoiled ballot near the date of an election or who may have been called away, such as for a family emergency, and are unable to receive or return a ballot by mail by the close of polls on election day.

As affirmed by the record of votes of the members 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. 2117, 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 (English, Galuteria, Harimoto).

SCRep. 2201 Ways and Means on S.B. No. 2106

The purpose and intent of this measure is to reduce the economic obstacle that discourages or prevents victims and other witnesses in criminal cases from pursuing charges against offenders due to economic considerations.

Specifically, for criminal cases, this measure increases:

- (1) The per diem stipend amount for out-of-state witnesses, from \$145 to \$200; and
- (2) The supplemental per diem stipend amount available for a witness who must travel to another island and stay overnight, from \$90 to \$145.

Your Committee received written comments in support of this measure from the City and County of Honolulu Department of the Prosecuting Attorney.

Your Committee finds that an economic barrier has emerged that discourages victims and other witnesses from pursuing charges against offenders because the per diem stipend amount for out-of-state witnesses and witnesses required to travel to a different island and stay overnight has not been adjusted to Hawaii's present cost of living. For example, many out-of-state witnesses must pay out of pocket for their necessary expenses such as food or lodging when subpoenaed to return to the State in state court proceedings. Your Committee further finds that increasing these per diem stipends will reduce this economic barrier and encourage victims and other witnesses to pursue charges against offenders.

As affirmed by the record of votes of the members 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. 2106 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Harimoto).

SCRep. 2202 Ways and Means on S.B. No. 2540

The purpose and intent of this measure is to expedite the development or expansion of a forensic facility at the Hawaii State Hospital by authorizing the Governor to negotiate directly with any person to construct the facility.

This measure also provides for an extended review and comment period for an environmental assessment or environmental impact statement.

Your Committee received written comments in support of this measure from the Department of Health. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO submitted written comments on the measure.

Your Committee finds that the Hawaii State Hospital has experienced overcrowding for many years, and the Department of Health expects the continued increase of high-risk forensic patient admissions for the foreseeable future. The Hawaii State Hospital master

plan, which was originally completed in 2005 and updated in 2015, includes the construction of a one hundred forty-four bed forensic facility to address these overcrowding issues. However, under the current timeline, the design and construction of the new facility is expected to take five to eight years, due in large part to the lengthy process of procuring services and obtaining the necessary permits. Your Committee further finds that it is in the public interest to expedite the development and construction of a new facility in view of the present census and health and safety issues at the hospital. Your Committee believes that this measure will significantly speed up the construction process to allow completion of the proposed facility considerably sooner than under the present timeline.

As affirmed by the record of votes of the members 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. 2540 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Harimoto).

SCRep. 2203 Ways and Means on S.B. No. 2114

The purpose and intent of this measure is to increase from \$1,000 to \$10,000 the fine for providing false information when registering to vote prior to election day at an absentee polling place or on the day of an election at the individual's polling place.

Your Committee received written comments in support of this measure from the Office of Elections and Common Cause Hawaii.

Your Committee finds that increasing the fine for providing false information when registering to vote at an absentee polling place or on the day of an election will further deter individuals from providing false information on a voter registration affidavit and help protect the integrity of elections 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. 2114, 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 (English, Galuteria, Harimoto).

SCRep. 2204 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.B. No. 2872

The purpose and intent of this measure is to require the Department of Human Services to establish minimum health and safety requirements for child care providers, including authorization of background checks on applicants, household members, employees, and prospective employees of licensed and registered child care homes and facilities.

Your Committees received testimony in support of this measure from the Department of Human Services and Hawaii Children's Action Network. Your Committees received comments on this measure from the Civil Beat Law Center for the Public Interest.

Your Committees find that this measure will align state law with the requirements of Public Law 113-186, enacted in November 2014, which makes significant changes to Child Care and Development Block Grant requirements to better protect children served under the grant. The Department of Human Services' Child Care Connect Hawaii child care subsidy program is federally funded through the grant, and Hawaii received a grant allocation of over \$20,000,000 in fiscal year 2015. Failure to pass this measure would jeopardize the grant award, as the Department of Human Services will lack the authority to implement the requirements of Public Law 113-186.

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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2872, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2872, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.
Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2205 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.B. No. 2213

The purpose and intent of this measure is to continue the nursing facility sustainability program for fiscal year 2016-2017.

Your Committees received testimony in support of this measure from the Department of Human Services, Chamber of Commerce Hawaii, Hawaii Primary Care Association, Healthcare Association of Hawaii, and The Queen's Health Systems.

Your Committees find that Medicaid patients comprise the majority of nursing facilities' patient population. In recognition of the fact that Medicaid reimbursements are below the actual costs of care, the Legislature enacted the nursing facility sustainability program in 2012 to supplement Medicaid reimbursements to long-term care facilities by assessing a fee on certain long-term care facilities, using funds from the fees to obtain additional federal monies, then distributing those monies to the long-term care facilities based on utilization of services by Medicaid patients. The nursing facility sustainability program has successfully helped Hawaii's nursing facilities offset losses, and this measure will enable the program to continue supporting the crucial services provided by these facilities.

Your Committees find that sustaining nursing facilities statewide is crucial for continued access to resources needed by the residents of Hawaii. A sustainable hospital network and health care industry is vital to the health of Hawaii's residents. Your Committees also find that Medicaid payments are below the actual costs of care and the nursing facility sustainability program increases Medicaid payments to nursing facilities. The nursing facility sustainability program has helped Hawaii nursing facilities to offset some of the losses they incur taking care of the most underserved.

Your Committees have amended this measure by:

(1) Deleting an amendment to Act 156, Session Laws of Hawaii 2012, section 5, as amended, that would have changed the repeal date of certain amendments to section 36-30(a), Hawaii Revised Statutes, to December 31, 2017; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2213, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2213, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2206 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.B. No. 2396

The purpose and intent of this measure is to provide an inflationary adjustment to the methodology used to reimburse facilities for the long-term care of Medicaid recipients for fiscal year 2016-2017.

Your Committees received testimony in support of this measure from the Oahu Region Hawaii Health Systems Corporation; Oahu Nursing Rehab Center; Hale Makua Health Services; Healthcare Association of Hawaii; Nuuanu Hale; Ohana Pacific Management Company, Inc.; Palolo Chinese Home; The Arc in Hawaii; and four individuals. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that long-term care facilities face major financial challenges in providing quality health care for Hawaii residents. In many long-term care facilities in Hawaii, Medicaid patients comprise 70 to 80 percent of the facilities' patients, and Medicaid reimbursements do not cover the actual costs of care for these patients. Since Hawaii has the fastest-aging population in the nation, funding for long-term care facilities is crucial to help seniors maintain access to services they desperately need.

Your Committees have amended this measure by:

- (1) Removing language stating that the cost increase shall only apply for fiscal year 2016-2017;
- (2) Inserting an appropriation to the Department of Health for \$1,900,000 to reimburse facilities for the long-term care of Medicaid patients;
- (3) Inserting a repeal date of June 30, 2017; 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 Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2396, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2396, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2207 (Joint) Transportation and Energy and Water, Land, and Agriculture on S.B. No. 3088

The purpose and intent of this measure is to authorize construction of small hydropower facilities as defined by the United States Department of Energy in a manner that combines clean energy infrastructure and irrigation for agricultural lands.

Your Committees received testimony in support of this measure from the Agribusiness Development Corporation, Ulupono Initiative, Hawai'i Farm Bureau Federation, and Hawaii Cattlemens Council. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that the development of hydroelectric energy-generating facilities in Hawaii is vital to the energy security and energy independence of the State. Increased use of renewable energy resources will achieve broad societal benefits, including resistance to oil price increases, environmental sustainability, economic development, and job creation.

Your Committees further find that while Hawaii's agricultural land is a fundamentally important and diminishing resource that is pivotal to the State's initiatives in food security, hydroelectric facilities may be located on agricultural lands in a manner that promotes food and energy security.

Your Committees have amended this measure by:

- (1) Clarifying that hydroelectric facilities shall be required to be an accessory to agricultural activity on agricultural land for agricultural use; 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 Energy and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3088, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3088, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 7. Noes, none. Excused, none.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Wakai).

SCRep. 2208 (Joint/Majority) Transportation and Energy and Water, Land, and Agriculture on S.B. No. 2653

The purpose and intent of this measure is to increase the amount of the environmental response, energy, and food security tax revenues that are to be deposited into the energy security special fund and the agricultural development and food security special fund.

Your Committees received testimony in support of this measure from the Department of Agriculture, Hawaii Natural Energy Institute, Hawaii Farm Bureau Federation, Hawaii Energy Policy Forum, Sierra Club of Hawai'i, and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; and Tax Foundation of Hawaii. Your Committees received testimony in opposition to this measure from the Chamber of Commerce of Hawaii and Building Industry Association of Hawaii.

Your Committees find that there is a growing public sentiment that as an island state, Hawaii is precariously dependent on imported food and energy. This measure will help create a greater funding base to foster increased energy and food independence.

Your Committee has amended this measure by:

- (1) Changing the amount to be deposited into the energy security special fund to an unspecified amount; 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 Energy and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2653, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2653, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 6. Noes, 1 (Slom). Excused, none.

Water, Land, and Agriculture: Ayes, 4. Noes, 1 (Slom). Excused, 4 (Dela Cruz, Riviere, Ruderman, Wakai).

SCRep. 2209 (Joint) Transportation and Energy and Water, Land, and Agriculture on S.B. No. 2367

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for Hawaii Renewable Resources, LLC, to own, design, build, and operate a project located on agricultural lands on central Oahu for a material reprocessing facility to recover organic materials, food manufacturing waste, green crop waste, and farm crop harvest waste and to process that waste into renewable energy for agricultural purposes.

Your Committees received testimony in support of this measure from the Agribusiness Development Corporation; Renewable Energy Action Coalition of Hawaii; and Hawaii Renewable Resources, LLC. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that the development of local sustainable food production and the use and production of renewable energy systems continues to be in the public interest. Hawaii Renewable Resources, LLC, is a Hawaii company offering sustainable solutions for the production of food and renewable energy from the conversion of recovered food and green agricultural crop resources.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2367 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 7. Noes, none. Excused, none.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Wakai).

SCRep. 2210 (Joint) Water, Land, and Agriculture and Commerce, Consumer Protection, and Health on S.B. No. 2513

The purpose and intent of this measure is to appropriate funds to support three additional inspector positions on the island of Oahu within the Department of Agriculture's Pesticides Branch.

Your Committees received testimony in support of this measure from the Department of Agriculture, Hawai'i Farm Bureau, Hawai'i Center for Food Safety, and nine individuals.

Your Committees find that many Hawaii residents are concerned that there is insufficient oversight of restricted use pesticides, particularly on the island of Oahu. Your Committees find that to address public concerns, and in the interest of public health, safety, and welfare, it is of utmost importance that the Department of Agriculture has the proper funding to ensure there are a sufficient number of pesticide inspectors to properly administer and regulate restricted use pesticides in accordance with the Hawaii Pesticides Law. Your Committees further find that additional pesticide inspectors on Oahu will help bolster the enforcement capacity to respond to pesticide odor complaints, conduct investigations in a timely manner, and regulate the use of restricted use pesticides and the sale, transport, and use of general use pesticides.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2513 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Ruderman, Wakai).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2211 Judiciary and Labor on S.B. No. 3038

The purpose and intent of this measure is to:

- (1) Create a temporary program to provide additional benefits to unemployed workers by extending their unemployment insurance benefits under certain conditions; and
- (2) Appropriate funds to the Department of Labor and Industrial Relations for the purposes of this measure.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Hawaii State AFL-CIO; and United Public Workers, AFSCME, Local 646, AFL-CIO.

Your Committee finds that public employees who are displaced through privatization or the closure of a state or county facility frequently face excessive economic hardship. Displaced employees may have only a few years of creditable service or be close to retirement but still need additional years of service. Your Committee recognizes the need to address the complexity of displaced employees who are at different life stages and the associated economic hardship. As raised in testimony, economic trends are unpredictable, and limiting the applicability of the temporary program will allow the Department of Labor and Industrial Relations to implement the temporary program to provide additional benefits to unemployed workers.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to require unemployed individuals to enroll in an approved training or retraining course to be eligible for additional unemployment insurance benefits under the temporary program;
- (2) Inserting language to limit the applicability of the temporary program to counties with a population less than 200,000;
- (3) Inserting language to eliminate the temporary program if the balance of the unemployment compensation trust fund is below the adequate reserve fund;
- (4) Amending section 1 to reflect the amended purposes of this measure; 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. 3038, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3038, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Slom).

SCRep. 2212 Judiciary and Labor on S.B. No. 3000

The purpose and intent of this measure is to establish a retirement benefit incentive for public employees, otherwise eligible to retire, whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and two individuals. Your Committee received comments on this measure from the Employees' Retirement System.

Your Committee finds that public employees whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position, frequently face excessive economic hardship. Implementation of this measure will provide meaningful financial support to public employees who lose their jobs out of no fault of their own.

Your Committee has amended this measure by:

- (1) Inserting a sunset date of July 1, 2018;
- (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.

Your Committee recognizes that public employees who are just a few years away from being eligible for retirement also face economic hardship when there are layoffs. Your Committee finds that if this measure is considered for passage by your Committee on Ways and Means, that the committee further examine the issue of service and age eligibility as it pertains to 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 S.B. No. 3000, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3000, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2213 Housing on S.B. No. 2509

The purpose and intent of this measure is to:

- (1) Establish a seven-year limit on tenants in state low-income housing projects;
- (2) Prohibit state low-income housing units from being passed along from one tenant to another; and

- (3) Require unemployed tenants of state low-income housing to perform community service or enroll in classes in order to remain eligible for tenancy.

Your Committee received comments on this measure from the Coordinator on Homelessness under the Office of the Governor and Hawaii Public Housing Authority.

Your Committee finds that there are over 13,000 individuals on the statewide public housing waitlist. Because the turnover rate in public housing in the State is about four percent annually, it may take up to five years for individuals to move in to public housing. By addressing the issue of multigenerational public housing, this measure encourages individuals to move out of public housing to make room for other individuals, including people experiencing homelessness.

Your Committee has amended this measure by:

- (1) Deleting language that would have established a seven-year limit on tenants in state low-income housing projects;
- (2) Amending language to allow the Hawaii Public Housing Authority to require tenants of state low-income housing projects who are unemployed or not enrolled in at least ten hours of classes per month to perform at least twenty hours of community service per month in order to remain eligible for tenancy;
- (3) Inserting language to exempt elders and individuals with a disability from community service and class enrollment requirements in order to remain eligible for tenancy in state low-income housing projects; 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2509, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2509, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Green). Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 2214 Government Operations on S.B. No. 3092

The purpose and intent of this measure is to authorize procurement officers to permit, after bid opening, clarification of a listed subcontractor's scope of work and consider a previously licensed and listed subcontractor's license as valid; provided that certain conditions are satisfied.

Your Committee received testimony in support of this measure from the General Contractors Association of Hawaii; Alan Shintani, Inc.; Genba Hawaii, Inc.; Healy Tibbitts Builders, Inc.; Jayar Construction, Inc.; Ralph S. Inouye Co., Ltd.; Robert M. Kaya Builders, Inc.; S & M Sakamoto, Inc.; and TOMCO CORP. Your Committee received testimony in opposition to this measure from the State Procurement Office, Board of Water Supply of the City and County of Honolulu, Subcontractors Association of Hawaii, Electrical Contractors Association of Hawaii, Hawaii Electricians Market Enhancement Program Fund, International Brotherhood of Electrical Workers Local Union 1186, and Plumbing and Mechanical Contractors Association of Hawaii.

Your Committee finds that the delivery and award of public works construction projects can be hindered by bid challenges pertaining to subcontractor-related issues. As a result, major delays can occur and costs increase.

Your Committee further finds that there is often very limited time between the receipt of subcontractor bids and the bid deadline, creating challenges for prime contractors to complete the forms required for a public works bid proposal.

Accordingly, your Committee has amended this measure by:

- (1) Eliminating language authorizing procurement officers to permit, after bid opening, clarification of a listed subcontractor's scope of work;
- (2) Inserting language to require subcontractors to submit a time stamped offer to a contractor two hours before the established bid deadline; provided that a subcontractor that does not comply with the two hour requirement is disqualified from consideration; 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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3092, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3092, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

SCRep. 2215 Government Operations on S.B. No. 2501

The purpose and intent of this measure is to:

- (1) Require a bidder's past performance on projects of similar scope for public agencies, including delays, number of contract change orders, contract extensions, cost overruns, corrective actions, responses to notices of deficiencies, and assessments of the bidder's prior work, to be factored into future bid selection of a contractor;
- (2) Define "past performance" to mean available recent and relevant performance of a contractor on government contracts to be considered as a responsibility determination relevant to a current solicitation;
- (3) Require past performance to be considered in sole source procurement; and

- (4) Appropriate funds to the State Procurement Office for the purposes of this measure.

Your Committee received testimony in support of this measure from the Department of Transportation and State Procurement Office. Your Committee received testimony in opposition to this measure from American Institute of Architects. Your Committee received comments on this measure from the General Contractors Association of Hawaii, Electrical Contractor's Association of Hawaii, Subcontractors Association of Hawaii, and American Council of Engineering Companies.

Your Committee finds that a contractor can potentially expose the State to liability for faulty work and cost the State more money due to the need for corrective work. State contracts may be awarded to the lowest bidder through the invitation for bid process without regard to poor past performance, which may result in repeated inefficient or substandard work. Implementation of this measure will develop a record of responsible contractors and increase accountability in the performance of the State's procurement contracts.

Your Committee has amended this measure by:

- (1) Amending the definition of "past performance" to include legal action;
- (2) Amending bid evaluation criteria to be considered by deleting delays, number of contract change orders, contract extensions, cost overruns, corrective actions, and responses to notices of deficiencies; and inserting notices of deficiencies, legal actions, failure to complete a procurement contract, and assessments of the bidder's prior work;
- (3) Deleting section 5 relating to using prior performance in the selection criteria for the procurement of professional services;
- (4) Inserting language requiring a department that issues a request for proposal to evaluate the work and performance of the respective contractors upon the completion of the procurement contract and maintain the evaluations in the department's files; 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. 2501, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2501, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

SCRep. 2216 Government Operations on S.B. No. 2293

The purpose and intent of this measure is to:

- (1) Require a board to file the board packet in the board's office for public inspection at the time the agenda is filed or when the board packet is distributed, whichever is earlier, and provide copies of the board packet to persons requesting notification pursuant to section 92-7(e), Hawaii Revised Statutes;
- (2) Amend the declaration of policy and intent of chapter 92, Hawaii Revised Statutes, to include the facilitation of public participation and input;
- (3) Require boards to afford all interested persons an opportunity to view, either electronically or in hard copy, documents, reports, and proposals under consideration at the meeting at the time the agenda is made available to the public;
- (4) Require the posting of a notice on the state or appropriate county websites, within six calendar days before the meeting; provided that a printout of the electronic time-stamped agenda shall be conclusive evidence of the electronic posting date;
- (5) Exempt emergency meetings held by a board from the six calendar day filing and electronic posting requirement;
- (6) Authorize the electronic mailing and posting of meeting notices; and
- (7) Require that board minutes, including video or sound recording, to be publicly posted on the board's website, or if the board does not have a website, a designated website maintained by the State or appropriate county and shall be available within thirty days after the meeting, regardless of whether the board has formally reviewed or approved the minutes.

Your Committee received testimony in support of this measure from the Land Use Commission, Common Cause Hawaii, League of Women Voters, Civil Beat Law Center for the Public Interest, and two individuals. 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 the Lieutenant Governor, Department of Land and Natural Resources, Office of Information Practices, Employees' Retirement System, Hawaii Association of the Blind, Hawaii Employer-Union Health Benefits Trust Fund, and 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. Implementation of this measure will improve efficiency and promote government transparency by increasing public access to information regarding public meetings and hearings.

Your Committee has amended this measure by:

- (1) Requiring a board to file the board packet in the board's office for public inspection only when the board packet is distributed to board members, rather than at the time the agenda is filed;
- (2) Deleting section 2, amending the declaration of policy and intent of chapter 92, Hawaii Revised Statutes;
- (3) Inserting language to clarify that a board shall provide access to either an electronic or a hard copy of a board packet to persons requesting notification;

- (4) Requiring boards to afford all persons an opportunity to view, either electronically or in hard copy, documents, reports, and proposals under consideration at the meeting at the time the board packet is made available to the board members, rather than at the time agenda is made available to the public;
- (5) Eliminating the requirement that video or sound recordings of meetings made by the board be publicly posted;
- (6) Requiring that if the minutes are not publicly posted and available for access within thirty days of the meeting, the board shall be prohibited from meeting again until the minutes are posted and a new meeting notice is posted within six calendar days prior to a subsequently scheduled meeting; provided that if there is a dispute as to whether minutes were timely posted, a printout of the electronic time-stamped minutes shall be conclusive evidence of the electronic posting date; 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. 2293, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2293, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2217 Government Operations on S.B. No. 2249

The purpose and intent of this measure is to:

- (1) Require the Department of Accounting and General Services to consult with appropriate stakeholders and develop a comprehensive Wailuku state office master plan to address the shortage of space in the Wailuku state office building and old courthouse building;
- (2) Appropriate funds to the Department of Accounting and General Services for the Wailuku state office master plan; and
- (3) Appropriate funds to the Department of Accounting and General Services for the purchase of certain other properties in or near Wailuku.

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 there is a shortage of state managed office space. The Department of Accounting and General Services is currently exploring solutions and has a three-phase program, which includes the Wailuku district in Maui, to develop a statewide master plan. Implementation of 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.

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. 2249, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2249, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Dela Cruz).

SCRep. 2218 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2149

The purpose and intent of this measure is to establish a working group to review and discuss Hawaii's forfeiture laws and make recommendations to improve those laws to better fit their intended purpose.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of the Prosecuting Attorney for the City and County of Honolulu, Department of the Prosecuting Attorney for the County of Maui, Office of the Prosecuting Attorney for the County of Hawaii, Honolulu Police Department, and one individual. Your Committee received testimony in opposition to this measure from the Drug Policy Forum of Hawaii.

Your Committee finds that asset forfeiture is a highly specialized mechanism that is grounded in civil law, but closely related to criminal law. The intent of asset forfeiture laws are to remove the products or proceeds of crime from the community, while also depriving the owners of those products or proceeds if the owners knew that the property was connected to criminal activity. News stories concerning abuses of asset forfeiture have recently brought this issue to the attention of the public. Your Committee finds that a working group representing a broad spectrum of parties who are experienced in or impacted by asset forfeiture or asset forfeiture laws is the best way to examine asset forfeiture laws in Hawaii and make recommendations on how those laws could better suit their intended purpose.

Your Committee has amended this measure by:

- (1) Adding representatives from the American Civil Liberties Union, Drug Policy Forum of Hawaii, and Office of the Public Defender to the working group; 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. 2149, as amended herein, and

recommends that it pass Second Reading in the form attached hereto as S.B. No. 2149, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2219 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2813

The purpose and intent of this measure is to allow for the information from adult guardianship appointment orders to be reported to the National Instant Criminal Background Check System.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that there is a need to ensure that those who are mentally incapacitated do not have the opportunity to possess a firearm. Under existing laws, neither firearms sellers nor police have any way to know if a person has been appointed a guardian as an adult. This measure will allow guardianship appointment information to be shared with the National Instant Criminal Background Check System and disclosed to local law enforcement for the purposes of firearms permitting and registration.

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. 2813, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2813, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2220 Commerce, Consumer Protection, and Health on S.B. No. 2887

The purpose and intent of this measure is to amend the definition of “developmental disabilities” in section 333F-1, Hawaii Revised Statutes, to include children from birth to age nine who have a substantial developmental delay or specific congenital or acquired condition and without services and supports, have a high probability of meeting criteria for developmental disabilities later in life.

Your Committee received testimony in support of this measure from the Department of Health, State Council on Developmental Disabilities, Hawaii Children’s Action Network, and one individual.

Your Committee finds that pursuant to House Concurrent Resolution No. 14 adopted in 2014, the Department of Health established a task force to review Hawaii’s statutory definition of “developmental disabilities”. The task force found that the federal definition of “developmental disabilities” was revised in 2000 to include infants and young children with substantial developmental delays or specific congenital or acquired conditions, where due to their age, functional criteria that are used for adolescents and adults could not be reliably applied to infants and young children. Because Hawaii’s current statutory definition of “developmental disabilities” requires that an individual have three or more functional limitations in major life activities, the definition can exclude infants and young children from receiving necessary services. This measure aligns the state definition with the federal definition and enables the Department of Health to serve infants and young children through early intervention and supports.

Your Committee has amended this measure by:

- (1) Changing the format of the amendment to the definition of “developmental disabilities” to ensure that the amendment applies to the entire definition; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2887, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2887, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2221 Commerce, Consumer Protection, and Health on S.B. No. 2619

The purpose and intent of this measure is to require a holder of unclaimed property to:

- (1) Provide documentation in its report to the Director of Finance that the holder exhausted all known last contact information, including postal or electronic mailing address and telephone number, of the apparent owner; and
- (2) Contact the apparent owner via mail, electronic mail, or telephone no more than six months prior to the holder submitting a report to the Director of Finance.

Your Committee received testimony in support of this measure from the Department of Budget and Finance. Your Committee received testimony in opposition to this measure from the Hawaii Bankers Association and Hawaii Credit Union League.

Your Committee finds that this measure proposes to enhance the steps a holder of unclaimed property must take before such property is reported to the State. However, your Committee has heard the concerns that the proposed requirement for holders of unclaimed property to provide specific documentation to the Director of Finance that the holder exhausted all known last contact information for apparent owners may be overly burdensome on financial institutions. According to testimony from the Hawaii Bankers

Association, financial institution customers may not provide electronic mail addresses or telephone numbers or may not update this information when there is a change. Your Committee understands these concerns and believes that a statement to the Department of Budget and Finance that a holder has complied with contact requirements may be less onerous than specific documentation.

Your Committee further finds that according to testimony heard by your Committee, each financial institution has its own process for escheating unclaimed property to the State. Your Committee concludes that a standard process for contacting apparent owners, which requires holders of unclaimed property to attempt to contact apparent owners in various ways prior to escheating this property to the State, would be beneficial to consumers in Hawaii. Your Committee notes that once unclaimed property has escheated to the State, it is very difficult for consumers to have their property returned.

Accordingly, your Committee has amended this measure by:

- (1) Requiring a holder of unclaimed property to submit a statement to the Director of Finance that the holder has complied with requirements for contacting an apparent owner, rather than requiring a holder to submit documentation about exhausting all known last contact information of an apparent owner;
- (2) Clarifying that the holder of property valued at \$50 or more and presumed abandoned shall provide notice to an apparent owner by postal address, last known electronic mail address, if known, or last known telephone number, if known; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2619, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2619, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2222 Commerce, Consumer Protection, and Health on S.B. No. 2544

The purpose and intent of this measure is to establish a sliding scale based upon the average annual count of covered employees for the biennial renewal fees for professional employer organizations.

Your Committee received testimony in support of this measure from ALTRES, Inc. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that the Department of Labor and Industrial Relations, which administers the State's professional employer organization law, has stated that there are forty-nine registered professional employer organizations in Hawaii. However, with the exception of two \$13,000 appropriations in fiscal years 2014 and 2015, the Department receives no funding to administer the professional employer organization program. According to testimony from the Department, the biennial cost to establish and administer this program is conservatively estimated at \$300,322. This measure seeks to set the fees imposed upon professional employer organizations at amounts sufficient to entirely fund the cost to regulate professional employer organizations in the State.

Your Committee has heard the concerns that the Department of Labor and Industrial Relations is unable to set an annual biennial renewal fee for professional employer organizations based on an average annual count of covered employees per professional employer organization, as proposed by this measure. The professional employer organization law does not require, nor does the Department possess, employee counts from professional employer organizations. Your Committee finds that a biennial renewal fee based on a count of covered employees reported to the Department is more appropriate than requiring the Department to estimate the per employee fee charged to a professional employer organization.

Accordingly, your Committee has amended this measure by:

- (1) Requiring every professional employer organization to report to the Department of Labor and Industrial Relations the total number of covered employees who worked any hours during a one year period, no later than June 1 of every year;
- (2) Specifying that the biennial renewal fee shall be based upon the count of covered employees as follows:
 - (A) \$6.00 per employee, for professional employer organizations with less than 50 covered employees;
 - (B) \$7.00 per employee, for professional employer organizations with 50 to 250 covered employees;
 - (C) \$8.00 per employee, for professional employer organizations with 251 to 500 covered employees; and
 - (D) \$9.00 per employee, for professional employer organizations with 501 or more covered employees; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2544, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2544, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2223 Commerce, Consumer Protection, and Health on S.B. No. 2176

The purpose and intent of this measure is to:

- (1) Beginning January 1, 2017, establish the Hawaii Medical Marijuana Oversight Committee to monitor, evaluate, and make recommendations regarding the implementation of the use, cultivation, and dispensing of medical marijuana and the overall Hawaii medical marijuana program; and
- (2) Require the committee to submit a report of its findings to the Senate Committee on Commerce, Consumer Protection, and Health and House of Representatives Committee on Health at least twenty days prior to the convening of each regular session until the committee ceases to exist on July 1, 2022.

Your Committee received testimony in support of this measure from the Department of Transportation; Drug Policy Forum of Hawai'i; Drug Policy Action Group; Effective Change, LLC; The CHOW Project; and eighteen individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety. Your Committee received comments on this measure from the Department of Health and two individuals.

Your Committee finds that chapter 329, part IX, Hawaii Revised Statutes, was enacted to create a state medical use of marijuana law and exemption from criminal sanctions. Furthermore, chapter 329D, Hawaii Revised Statutes, was enacted to establish medical marijuana dispensaries that may begin operations in July 2016. As Hawaii expands its medical marijuana program through the use of highly regulated and monitored dispensaries and more patients are anticipated to consider medical marijuana as a viable treatment, a collaborative commission that brings together numerous stakeholders will create a forum for input to improve the medical marijuana system in the State.

Your Committee has amended this measure by:

- (1) Changing references from the "Hawaii medical marijuana oversight committee" to the "Hawaii medical marijuana oversight commission";
- (2) Amending the composition of the commission by:
 - (A) Removing the Director of Public Safety or the Director's designee and one physician from the commission;
 - (B) Adding the Executive Director of the Drug Policy Forum of Hawaii, or the director's designee;
 - (C) Adding a representative from University of Hawaii College of Tropical Agriculture and Human Resources;
 - (D) Adding a representative from the Medical Cannabis Coalition of Hawaii; and
 - (E) Adding a representative from the American Civil Liberties Union;
- (3) Inserting language to allow the chairperson of the commission to add additional members with expertise under certain conditions; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2176, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2176, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2224 Commerce, Consumer Protection, and Health on S.B. No. 2865

The purpose and intent of this measure is to remove statutory language that imposes a moratorium on the collection of real estate license renewal fees if the balance in the real estate education fund exceeds \$1,200,000 at the end of any fiscal biennium.

Your Committee received testimony in support of this measure from the Real Estate Commission.

Your Committee finds that the Real Estate Commission (Commission) has a statutory mandate to protect the general public in its real estate transactions. Toward this end, the real estate education fund was established in 1967 to sustain the Commission's operations and advance real estate education and research in the State. The Commission administers and expends monies in the real estate education fund to support comprehensive educational and research programs for the benefit of the public and those licensed under chapter 467, Hawaii Revised Statutes, relating to real estate brokers and salespersons.

Your Committee further finds that the vast majority of the Commission's real estate education fund operating budget is received at the beginning of the year following a license renewal year. Renewal years occur every even-numbered year, and the renewal fees collected must sustain operations for two years, until the next license renewal cycle. If the statutory ceiling on the real estate education fund is reached and a moratorium is imposed, the real estate education fund operational budget must continue to fund programs for four years, rather than the typical two year period.

According to testimony from the Commission, although the Commission has over \$700,000 currently in the real estate education fund, the Commission projects the fund may hit its cap in 2018. After further discussion with the Commission, your Committee is persuaded that the Commission needs the flexibility and means to carry out its educational purposes without the statutory limitation attached to the real estate education fund. Failure to remove the statutory limitation now may prevent the Commission from being able to collect fees and fund programs in furtherance of its statutory mandate.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2865 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Baker, Espero, Kidani, Nishihara). Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2225 Commerce, Consumer Protection, and Health on S.B. No. 2394

The purpose and intent of this measure is to:

- (1) Require annual influenza vaccinations for hospital health care workers whose work involves contact with patients or contaminated materials; and
- (2) Establish exemptions for influenza vaccination requirements under certain conditions.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation; Hawai'i State Center for Nursing; Hawaii Immunization Coalition; Healthcare Association of Hawaii; Hawaii Pacific Health; Chamber of Commerce Hawaii; Walgreen Co.; Ohana Pacific Management Company, Inc.; Wilcox Memorial Hospital; American Academy of Pediatrics; Straub Clinic & Hospital; Pali Momi Medical Center; Kapi'olani Medical Specialists; and two individuals. Your Committee received testimony in opposition to this measure from the National Vaccine Information Center; Hawaii Nurses Association, OPEIU Local 50; and sixty-nine individuals. Your Committee received comments on this measure from the Department of Health and one individual.

Your Committee finds that as influenza season is associated with high census in hospitals, it is critical for health care workers in hospitals who have contact with patients or contaminated materials to stay healthy. Vaccination programs help health care personnel carry out their professional duty to provide care to all patients without causing harm through influenza transmission.

Your Committee further finds that since 1981, the Centers for Disease Control and Prevention has recommended that all health care workers receive an annual influenza vaccination. Because health care professionals are looked to for guidance on good health practices, increasing the number of health care personnel in hospitals that receive the influenza vaccine sets a positive example that will encourage the community to proactively protect themselves from the flu.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2394 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2226 Judiciary and Labor on S.B. No. 2077

The purpose and intent of this measure is to:

- (1) Authorize an employee who is entitled to reduction-in-force rights under chapter 76 or 89, Hawaii Revised Statutes, and receives official notification that the employee's position is being abolished or who is directly affected by a reduction-in-force or workforce restructuring plan, including privatization, to elect to receive a voluntary severance benefit, in lieu of receiving other applicable rights; provided that the payment of voluntary severance benefits are prohibited from being paid to an employee discharged for lawful disciplinary reasons;
- (2) Authorize a vested member of the Employees' Retirement System who meets certain criteria and receives official notification that the employee's position is being abolished or who is directly affected by a reduction-in-force or workforce restructuring plan, including privatization, to elect to receive a special retirement benefit, in lieu of receiving other applicable rights; provided that the payment of special retirement benefits are prohibited from being paid to an employee discharged for lawful disciplinary reasons;
- (3) Require an employee who has received either a voluntary severance benefit or a special retirement benefit and returns to public service within two years as an employee or contractor to repay the voluntary severance benefit or the special retirement benefit;
- (4) Require department heads that provide voluntary severance benefits or special retirement benefits to transmit a report of abolished and vacated positions to the Directors of Finance and Human Resources Development;
- (5) Require the Governor to submit a report of abolished and vacated positions to the Legislature no later than twenty days prior to the convening of each regular session beginning with the Regular Session of 2017;
- (6) Require the Department of Human Resources Development and Department of Budget and Finance to develop and administer guidelines and time frames with the affected public employee unions to implement voluntary separation benefits and special retirement benefits;
- (7) Require the Department of Human Resources Development and Department of Budget and Finance to report to the Legislature on any restructuring activities initiated because of this measure no later than twenty days prior to the convening of each regular session beginning with the Regular Session of 2017; and
- (8) Authorize the Governor to provide funds to obtain matching federal monies to retrain state employees of the Executive branch who are separated from service under this measure.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and three individuals. Your Committee received comments on this measure from the Employees' Retirement System.

Your Committee finds that public employees who are displaced through privatization or the closure of a state or county facility frequently face excessive economic hardship. Displaced employees may have only a few years of creditable service or be close to

retirement but still need additional years of service. Implementation of this measure addresses the complexity of displaced employees who are at different life stages and will decrease economic hardship associated with layoffs.

Your Committee has amended this measure by:

- (1) Defining “actuarial present value”;
- (2) Eliminating any waiver from the requirement that an employee repay the voluntary severance benefit or the special retirement benefit;
- (3) Inserting a sunset date of July 1, 2018;
- (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. 2077, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2077, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2227 Education on S.B. No. 2780

The purpose and intent of this measure is to, among other things:

- (1) Authorize the State Public Charter School Commission to adopt interim rules;
- (2) Establish requirements for meeting minutes; and
- (3) Authorize charter schools to assess fees and charges for co-curricular activities.

Your Committee received testimony in support of this measure from the State Public Charter Schools Commission. Your Committee received testimony in opposition to this measure from Kamehameha Schools, Connections Public Charter School, Hawaii Academy of Arts and Science Public Charter School, Council for Hawaiian Advancement, Kua o ka La Public Charter School, and sixteen individuals. Your Committee received comments on this measure from the Hawaii Public Charter Schools Network and Office of Hawaiian Affairs.

Your Committee finds that incremental but important refinements to the statutory framework governing Hawaii’s public charter school sector are necessary. The Legislature did not intend the charter school law to include provisions for a contested case hearing between a school and its authorizer when Act 130 was enacted in 2012. The State Public Charter School Commission, as an authorizer of charter schools, is expected to oversee and regulate charter schools to ensure that they are providing a quality education and that they are being responsibly managed. For that reason, the Commission should have the authority to revoke or not renew contracts with charter schools who fail to meet the State’s expectations on how public funds are spent.

Your Committee has amended this measure by:

- (1) Removing section 1 of the measure authorizing the State Public Charter School Commission to adopt interim rules;
- (2) Clarifying that the calculation of when governing boards must post their meeting minutes shall be in calendar days;
- (3) Clarifying that revocation and nonrenewal proceedings shall be governed by section 302D-18, Hawaii Revised Statutes, and not additionally subject to chapter 91, Hawaii Revised Statutes;
- (4) Clarifying that the exemption to part I of chapter 92, Hawaii Revised Statutes, shall only apply to matters in which the State Public Charter School Commission has already rendered a decision in a public meeting; 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. 2780, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2780, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2228 Education on S.B. No. 2595

The purpose and intent of this measure is to:

- (1) Make the early learning public prekindergarten program available to all eligible children by the 2020-2021 school year; and
- (2) Appropriate funds for the program.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, Hawaii Children’s Action Network, and four individuals. Your Committee received comments on this measure from the Department of Education and Executive Office on Early Learning.

Your Committee finds that prekindergarten programs are a valuable investment in Hawaii’s children which encourages student development and lays the foundation for future success. Early childhood education is particularly vital for at-risk students. Research

indicates that participation in early learning programs dramatically raises a student's likelihood of graduating high school and being employed after graduation, and reduces a student's likelihood of being incarcerated.

Your Committee has amended this measure by:

- (1) Removing the section appropriating funds for the program; 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. 2595, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2595, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2229 Education on S.B. No. 2594

The purpose and intent of this measure is to:

- (1) Establish the student loan subsidy program for teachers who teach in special education, vocational education, technical education, or career pathway programs;
- (2) Establish a student loan subsidy program special fund; and
- (3) Appropriate funds to the program.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and two individuals. Your Committee received comments on this measure from the Department of Education and Department of Budget and Finance.

Your Committee finds that recruiting and retaining teachers in Hawaii's public schools is a challenge due to the high cost of living in the State. High rates of turnover among teachers frequently forces schools to rely on long-term substitute teachers, emergency hires, or other stopgap measures. Special education and vocational education teachers are two of the highest priority areas of shortage. Your Committee further finds that teachers in Hawaii often owe considerable amounts of debt from student loans. The proposed loan subsidy program proposed in this measure could provide an incentive for teachers to remain in Hawaii's public schools.

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. 2594, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2594, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2230 Education on S.B. No. 2593

The purpose and intent of this measure is to establish a debit card system for teachers to purchase curriculum and classroom supplies.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and one individual. Your Committee received comments on this measure from the Department of Education and State Procurement Office.

Your Committee finds that teachers in Hawaii frequently purchase supplies and curriculum materials for their classes at their own expense. A recent study performed by the Hawaii State Teachers Association showed that forty-seven percent of teachers spent between \$250 and \$500 annually on classroom expenses. Such expenses directly benefit students and should be borne by the Department of Education, however your Committee notes that the State Procurement Code should apply to purchases made under the proposed program.

Your Committee has amended this measure by:

- (1) Replacing all references to "debit cards" with "declining balance debit cards";
- (2) Requiring that declining debit card purchases comply with the State Procurement Code; 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. 2593, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2593, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2231 Education on S.B. No. 2592

The purpose and intent of this measure is to minimize the negative effects of standardized testing by:

- (1) Limiting student participation in standardized tests;
- (2) Prohibiting the use of standardized test scores for evaluation purposes;

- (3) Authorizing standardized testing exemptions; and
- (4) Requiring the Department of Education to provide notice of the right to opt-out of standardized testing.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and six individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the enactment of the No Child Left Behind Act of 2001 and Race to the Top program in 2009 have forced teachers to shift their focus from teaching to testing. In a 2014 study by the National Education Association, a clear majority of teachers surveyed reported feeling considerable pressure to improve test scores. Although your Committee also notes that federal standards require a certain minimum percentage of testing, your Committee finds that such a heavy emphasis on teaching to the test has a detrimental effect on the overall effectiveness of student learning.

Your Committee has amended this measure by removing language requiring the Department of Education to provide notice of the right to opt-out of standardized testing.

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. 2592, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2592, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2232 Education on S.B. No. 2589

The purpose and intent of this measure is to expand vocational, technical, and career pathway programs and ensure that secondary school students have the opportunity to participate in these types of programs.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities, IMUAlliance, Hawaii State Teachers Association, and nine individuals. Your Committee received comments on this measure from the Department of Education and Office of the State Director for Career and Technical Education of the University of Hawai'i System.

Your Committee finds that vocational, technical, and career pathway programs can be very beneficial for students. Such programs can equip students with skills necessary for in-demand jobs within the labor market. These programs promote career readiness and decrease the risk of students dropping out of high school. Vocational, technical, and career pathway programs are historically under-emphasized in Hawaii's schools. This measure would provide the resources for those programs to expand and be more accessible to students.

Your Committee further finds that the Department of Education testified that it currently maintains career and technical education programs in forty-six public high schools and that during the 2014-2015 school year, 29,346 students were registered in at least one career and technical education course. Your Committee notes that the Department expressed its commitment to providing students with career and technical education opportunities and as such, a statutory requirement for such opportunities was unnecessary.

Accordingly, your Committee has amended this measure by:

- (1) Removing language statutorily requiring the Department of Education to implement vocational, technical, and career pathway programs; 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. 2589, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2589, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2233 (Majority) Education on S.B. No. 2586

The purpose and intent of this measure is, among other things, to:

- (1) Require the Department of Education to provide public school students with a whole child education curriculum;
- (2) Provide air conditioning in over-heated classrooms;
- (3) Decrease class size;
- (4) Provide special education teachers with additional preparation time and funding;
- (5) Establish the student loan subsidy program and special fund;
- (6) Expand vocational, technical, and career pathway programs;
- (7) Amend the factors considered by the Committee on Weights when developing the weighted student formula;
- (8) Allow remote schools and other designate schools to be allocated funds by categorical allotments rather than using the weighted student formula and allow for minimum staff at such schools;
- (9) Limit participation in standardized tests;
- (10) Prohibit the use of standardized test scores for evaluation purposes;

- (11) Authorize standardized testing exemptions;
- (12) Require the Board of Education to provide notice of the right to opt-out of standardized testing;
- (13) Require the public prekindergarten program to be available to all eligible children by the 2020-2021 school year;
- (14) Amend evaluation programs for teachers and educational officers;
- (15) Increase the general excise tax by one percent to support education; and
- (16) Make appropriations.

Your Committee received testimony in support of this measure from the University of Hawai'i at Manoa College of Education, Hawai'i Educational Policy Center, Americans for Democratic Action, Hawaii State Teachers Association, Kamehameha Schools, Hawaii Children's Action Network, Hawaii Association for the Education of Young Children, Parents for Public Schools of Hawai'i, and over one hundred ninety individuals. Your Committee received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii, Hawai'i Association of REALTORS, and one individual. Your Committee received comments on this measure from the Department of Education, State Public Charter School Commission, Executive Office on Early Learning, Department of Budget and Finance, Department of Taxation, State Procurement Office, Tax Foundation of Hawaii, and Hawaii Government Employees Association.

Your Committee finds that Hawaii faces an urgent need to improve the public schools in the State. In 2015, Hawaii scored last in the nation on ACT scores, forty-eighth on the eighth grade National Assessment of Education Process reading test, and forty-sixth on the fourth grade National Assessment of Education Process reading test.

Your Committee further finds that Hawaii's schools rank last in the nation in education funding. When adjusted for cost of living, both per-pupil spending and teacher pay are the lowest in the nation. Educational facilities and staffing in Hawaii fall far below the national average. Many schools are in desperate need of air conditioning and other heat abatement measures, and numerous schools make do without filling basic staff positions, such as school librarians and school counselors. These conditions have a direct and dramatic negative impact on the present well-being of Hawaii's students and on their prospects for future success. Immediate action is required to correct the present situation.

Your Committee additionally finds that this measure will take steps to improve the situation in Hawaii's public schools for both students and teachers. In essence, this measure constitutes an investment in Hawaii's educational future and preparedness of its keiki, which will be impactful to all people of the State.

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. 2586, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2586, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Dela Cruz). Noes, 1 (Riviere). Excused, 2 (Harimoto, Slom).

SCRep. 2234 (Joint) Education and Transportation and Energy on S.B. No. 3126

The purpose and intent of this measure is to:

- (1) Provide for air conditioning, heat abatement, and related energy efficiency measures at public schools by authorizing a loan from the green infrastructure loan program to the Department of Education and the Department of Budget and Finance; and
- (2) Make appropriations for expenditure of the borrowed funds, additional capital improvements, and the initial loan repayment.

Your Committees received testimony in support of this measure from the Department of Education; Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Renewable Energy Action Coalition of Hawaii; Hawaii Green Infrastructure Authority; Blue Planet Foundation; and Hawaii State Teachers Association. Your Committees received comments on this measure from the Tax Foundation of Hawaii.

Your Committees find that overheating in school classrooms causes serious health risks to teachers and students. Air conditioning and other heat abatement measures are necessary in public school classrooms throughout the State not only to minimize health risks, but also to provide an appropriate learning environment. In order to mitigate the costs of air conditioning and heat abatement, energy efficient lighting and other energy efficiency measures will also be necessary.

Your Committees further find that, in order to have as many effective heat abatement measures as possible in place before the hottest months, this project must proceed quickly. A source of immediate funding exists in the green infrastructure loan program. Through that program, funds can be loaned to the Department of Education and the Department of Budget and Finance at affordable rates. Your Committees note that issues exist concerning repayment of the monies loaned, and also that if your Committee on Ways and Means considers this measure for passage, it is better equipped to address those issues.

Your Committees have amended this measure by:

- (1) Inserting language suggested by the Department of Business, Economic Development, and Tourism to ensure consistency with the statutorily approved uses of the green infrastructure loan program; 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 Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3126, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3126, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

Transportation and Energy: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (English, Nishihara).

SCRep. 2235 (Joint) Transportation and Energy and Water, Land, and Agriculture on S.B. No. 2369

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for Hawaii Renewable Resources, LLC, to own, design, build, and operate a natural gas production facility on Maui that will grow energy crops to produce renewable natural gas, carbon dioxide, recovered organic composts, and recovered irrigation water.

Your Committees received testimony in support of this measure from Renewable Energy Action Coalition of Hawaii and Hawaii Renewable Resources, LLC. Your Committees received comments from the Department of Budget and Finance.

Your Committees find that the development of local sustainable food production and the use and production of renewable energy systems continues to be in the best public interest. Hawaii Renewable Resources, LLC, is a Hawaii company offering sustainable solutions for the production of food and renewable energy from the conversion of recovered food and green agricultural crop resources.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2369 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 7. Noes, none. Excused, none.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Wakai).

SCRep. 2236 (Joint) Transportation and Energy and Judiciary and Labor on S.B. No. 2348

The purpose and intent of this measure is to clarify the content requirements for traffic abstracts.

Your Committees did not receive any testimony on this measure.

Your Committees find that this measure attempts to conform state law with federal law concerning required information in records for commercial driver licensing. Your Committees are concerned that this measure may actually require more information than is required under title 49 Code of Federal Regulations Section 384.225. Your Committees defer to your Committee on Ways and Means on this issue, should it consider this measure for passage.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2348 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 2237 Transportation and Energy on S.B. No. 80

The purpose and intent of this measure is to amend the law relating to transportation.

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 inserting language to authorize the issuance of general obligation bonds and to appropriate funds for planning and design for various improvements on Renton Road on Oahu.

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 Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 80, as amended herein, and recommends that it be recommitted to your Committee on Transportation and Energy, in the form attached hereto as S.B. No. 80, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 2238 (Joint) Economic Development, Environment, and Technology and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3107

The purpose and intent of this measure is to appropriate funds to conduct an economic assessment on the establishment and economic viability of a small satellite launch and processing facility on the island of Hawaii.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development and Tourism; Pacific International Space Center for Exploration Systems; Honeybee Robotics; and two individuals.

Your Committees find that Hawaii has long been recognized as an ideal location for the launching of spacecraft due to its geographic location. Your Committees further find that the development of a small satellite launch and processing facility on Hawaii island has tremendous economic potential for the island of Hawaii as well as the State; however, an assessment is necessary to first determine the economic viability of such an endeavor.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, 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 S.B. No. 3107 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Baker, Ihara, Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 2239 (Joint) Economic Development, Environment, and Technology and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2097

The purpose and intent of this measure is to require the Department of Public Safety, Corrections Division, to conduct a water scalping feasibility study for Halawa Correctional Facility and, if funds are available, authorize development of a process design for the processing portion of the implementation of water scalping technology.

Your Committees received testimony in support of this measure from Ho'omana Pono, LLC.

Your Committees find that water scalping is a method in which wastewater is withdrawn from a trunk sewer to produce reclaimed water and return biosolids and non-reclaimable wastewater, such as brine, to the trunk sewer. Water scalping allows for wastewater to be used for secondary purposes, thereby conserving clean potable water. Your Committees further find that water scalping technology is one way the State can conserve its valuable water resources.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, 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 S.B. No. 2097 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Baker, Ihara, Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 2240 (Joint) Economic Development, Environment, and Technology and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2358

The purpose and intent of this measure is to require that for all state and county agency contracts that include disposal of liquid or solid waste, the statement of services performed shall include a receipt that the waste was received and disposed of at a licensed waste facility before full or partial payment is made for those contractual services.

Your Committees received testimony in support of this measure from the Department of Health; Larry Jests Farms, LLC; Kailua Neighborhood Board; and one individual. Your Committees received testimony in opposition to this measure from the Department of Accounting and General Services and General Contractors Association of Hawaii.

Your Committees find that contracted waste disposal companies are not currently required to disclose the location where liquid and solid waste is disposed. It is in the best interest of the State that solid and liquid waste be properly disposed of and not dumped where it may be a threat to health, safety, or the environment.

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, Environment, 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 S.B. No. 2358, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2358, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Baker, Ihara, Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 2241 Commerce, Consumer Protection, and Health on S.B. No. 2008

The purpose and intent of this measure is to amend statutory provisions relating to quorum and voting requirements for service area boards on mental health and substance abuse.

Your Committee received testimony in support of this measure from the Department of Health and State Council on Mental Health. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that based on the attendance of service area boards on mental health and substance abuse in fiscal year 2015, many of the boards were unable to meet due to a lack of quorum, resulting in only two of the four boards holding official meetings. Redefining quorum for service area boards on mental health and substance abuse will allow the boards to deliberate and make decisions on issues affecting each county.

Your Committee has amended this measure by:

- (1) Specifying that service area boards shall be established within the Department of Health for administrative purposes; and
- (2) Inserting a reference to part I of chapter 92, Hawaii Revised Statutes, as an exception to the general rule that an affirmative vote of a majority of members present is sufficient for a service area board to act.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2008, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2008, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2242 Commerce, Consumer Protection, and Health on S.B. No. 2007

The purpose and intent of this measure is to amend the membership and quorum and voting requirements of the State Council on Mental Health.

Your Committee received testimony in support of this measure from the Department of Health; Department of Health, Adult Mental Health Division; and State Council on Mental Health.

Your Committee finds that the State Council on Mental Health has had a difficult time in meeting quorum requirements. When the State Council on Mental Health does have quorum, however, members are often rushed to approve business that has been on the agenda for several months and are unable to respond to mental health concerns in a timely manner. This measure would ensure that assigned duties of members could be completed in a timely manner and that the Council may better serve and advocate for the children and adults living with mental illness.

Your Committee has amended this measure by:

- (1) Specifying that the State Council on Mental Health shall be established within the Department of Health for administrative purposes; and
- (2) Inserting a reference to part I of chapter 92, Hawaii Revised Statutes, as an exception to the general rule that an affirmative vote by a majority of members present is sufficient for the State Council on Mental Health to act.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2007, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2007, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2243 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2412

The purpose and intent of this measure is to require each police commission to ensure that all full-time police officers receive crisis intervention training related to interaction with persons with mental disabilities.

Your Committees received testimony in support of this measure from the Department of Health; Ho'omana Pono, LLC; and three individuals. Your Committees received comments on this measure from the Hawaii Disability Rights Center.

Your Committees find that the duties of police officers sometimes bring them into contact with persons with mental disabilities and homeless persons during crises or emergency situations. Such interactions require specialized techniques and approaches, and certain procedures employed by officers can exacerbate the situation and create risks to the safety of the officer and the public. Your Committees find that policies and training programs should be established to prepare officers for these situations.

Your Committees have amended this measure by adding language to require each police commission to also establish policies relating to interactions between officers and persons with mental disabilities or homeless persons and for the mandatory crisis intervention training to be consistent with the policies.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2412, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2412, S.D. 1, and be referred to your 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 (Inouye).
Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2244 (Joint/Majority) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2805

The purpose and intent of this measure is to impose an E911 surcharge on prepaid wireless telecommunications service.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services, Department of Commerce and Consumer Affairs, Enhanced 911 Board, Hawaii State Fire Council, Maui County Police Department, Hawaii County Police Department, City and County of Honolulu Police Department, Kauai Fire Department, Oceanic Time Warner, Verizon, and one individual. Your Committees received testimony in opposition to this measure from the Hawaii Food Industry Association and Ho'omana Pono, LLC.

Your Committees find that the enhanced 911 fund ensures adequate funding to deploy and sustain enhanced 911 services. Currently, a monthly surcharge of 66 cents is imposed upon each communications service connection except prepaid wireless mobile phone

service. Your Committees find that prepaid mobile phone users benefit from the enhanced 911 system and should participate equally in the support of that system.

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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2805, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2805, S.D. 1, and be referred to your 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 (Inouye).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, 1 (Slom). Excused, 2 (Ihara, Ruderman).

SCRep. 2245 Housing on S.B. No. 2036

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and appropriate the bond proceeds to the County of Kauai to ensure the availability of affordable rental housing on the east side of the island of Kauai.

Your Committee received testimony in support of this measure from three individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that affordable housing is desperately needed on Kauai, especially on its east side, where the bulk of Kauai's population lives. Courtyards at Waipouli was built to satisfy an affordable housing zoning requirement to offset the impacts of the Kauai Lagoons development, now known as Hokuala. The County of Kauai has the right of first refusal to purchase the workforce units, which enables the units to be affordable to qualified families. However, if the County of Kauai does not purchase the units, and the units are allowed to be sold or rented at market rates, the County of Kauai will have eighty-two fewer units in its workforce housing inventory.

Your Committee further finds that the County of Kauai and its people will benefit if the county achieves its goal of an ever-increasing inventory of workforce housing that is affordable in perpetuity.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2036 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2246 Housing on S.B. No. 2565

The purpose and intent of this measure is to repeal the state housing sales program of the Hawaii Public Housing Authority.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority.

Your Committee finds that state public housing units should not be sold, but should remain under Hawaii Public Housing Authority ownership for rental to low-income tenants, which is a major immediate public need in Hawaii today. For at least the previous ten years, the Authority has not utilized the state housing sales program, which allows the Authority to sell units in its projects under certain conditions, and has no current plans to use the program in the future. The repeal of the housing sales program may eliminate any diversion of the Authority's attention or resources from its core mission, which is providing affordable rental housing to low-income tenants.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2565 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2247 Housing on S.B. No. 2734

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and the appropriation of funds for deposit into and expenditure from the dwelling unit revolving fund for the development of infrastructure and improvements of on-site and off-site development.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Hawaii Housing Finance and Development Corporation.

Your Committee finds that the dwelling unit revolving fund was established pursuant to Act 105, Session Laws of Hawaii 1970, for the acquisition of real property; development and construction of residential, commercial, and industrial properties; interim and permanent loans to developers; and for the general purposes of the housing development program. Because there is a serious need to develop affordable housing in Hawaii to meet the needs of individuals and families, it is critical to fund the dwelling unit revolving fund to allow for infrastructure improvements that are needed to develop new affordable housing statewide.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2734 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2248 Housing on S.B. No. 2823

The purpose and intent of this measure is to authorize the Hawaii Housing Finance and Development Corporation Board of Directors to set the salary of the Hawaii Housing Finance and Development Corporation Executive Director in an amount not to exceed the salary of the Director of Business, Economic Development, and Tourism.

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 finds that the Executive Director of the Hawaii Housing Finance and Development Corporation oversees several key affordable housing programs, including the low-income housing tax credit, rental housing revolving fund, and Hula Mae single and multi-family revenue bond programs. 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.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2823 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Green, Ihara, Slom).

SCRep. 2249 Housing on S.B. No. 2300

The purpose and intent of this measure is to:

- (1) Increase the maximum value of the low-income household renter's income tax credit to \$150 per qualified exemption for households;
- (2) Adjust the income threshold to allow households with an adjusted gross income of less than \$60,000 to claim the credit; and
- (3) For each taxable year beginning after December 31, 2016, increase the amount of the credit, income threshold amount, and minimum amount paid in rent to qualify for the credit by doubling and adjusting each amount for inflation.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Americans for Democratic Action Hawaii; PHOCUSED; Hawaii Appleseed Center for Law and Economic Justice; League of Women Voters; American Association of University Women, Hawaii; Hawaii Women's Coalition; The CHOW Project; Hawaii Children's Action Network; and one individual. 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 credit is designed to assist many of Hawaii's low- and moderate-income families with the high cost of rent in the State. However, the credit has not been updated to address today's costs. 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.

Your Committee has amended this measure by:

- (1) Deleting the definition of "consumer price index";
- (2) Deleting language that, for each taxable year beginning after December 31, 2016, would have allowed inflationary adjustments to the low income-household renters credit, income threshold amount, and minimum amount paid in rent; 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2300, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2300, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Taniguchi, Slom).

SCRep. 2250 Housing on S.B. No. 2561

The purpose and intent of this measure is to:

- (1) Establish an affordable rental housing goal;
- (2) Establish a temporary special action team on rental housing to recommend actions to the Governor, Legislature, and other parties to achieve the goal; and
- (3) Appropriate funds for the special action team.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Hawaii Public Housing Authority, Land Use Commission, Chamber of Commerce Hawaii, Building Industry Association of Hawaii, and one individual. Your Committee received comments on this measure from the Coordinator on Homelessness under the Office of the Governor and one individual.

Your Committee finds that for the period from 2015 to 2025, Hawaii will require an additional 64,700 housing units to meet projected long-term housing demands. Of this amount, 22,247 households of all income levels will require rental units. The lack of supply leads to higher rents for households of all income levels, leaving all tenants with less disposable income, increasing the personal stress of tenants, reducing tenant quality of life, and exacerbating the population overcrowding and homelessness problems. Given these consequences, the lack of affordable rental housing requires the concentrated attention of state government at the highest level and the establishment of specific goals related to affordable rental housing.

Your Committee has amended this measure by:

- (1) Replacing the Executive Officer of the Land Use Commission with the Director of the Office of Planning on the special action team;
- (2) Expanding the persons that the chair of the special action team shall invite to become members of the special action team to include:
 - (A) One officer or employee of each county with primary responsibilities relating to transit-oriented development, if any;
 - (B) Representatives of the for-profit housing development community;
 - (C) Representatives of the non-profit housing development community;
 - (D) The chair of the senate committee on housing as an ex officio member; and
 - (E) The chair of the house of representatives committee on housing as an ex officio member;
- (3) Adding language that requires the special action team to recommend short- and long-term actions to target rental housing development in transit-oriented development areas as a top priority; 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2561, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2561, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2251 Housing on S.B. No. 2570

The purpose and intent of this measure is to:

- (1) Beginning January 1, 2017, require the Department of Human Services to establish a rapid re-housing assistance program to move homeless families or individuals into permanent housing as quickly as possible and achieve stability in that housing;
- (2) Require the program to be designed and operated to qualify for federal emergency shelter grants; and
- (3) Appropriate funds for the establishment and operation of the rapid re-housing assistance program.

Your Committee received comments on this measure from the Coordinator on Homelessness under the Office of the Governor and Department of Human Services.

Your Committee finds that rapid re-housing initiatives help communities decrease the number of people experiencing homelessness and the amount of time households spend homeless. Rapid re-housing places an emphasis on moving individuals or families experiencing homelessness into permanent housing as quickly as possible. This measure will help individuals and families experiencing homelessness solve the practical and immediate challenges to obtaining permanent housing, while reducing the amount of time they experience homelessness.

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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2570, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2570, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2252 (Joint) Housing and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2822

The purpose and intent of this measure is to enable the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with state and county departments and agencies to create communities with housing, jobs, shops, and government services located in close proximity.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of Planning; Hawaii Housing Finance and Development Corporation; Land Use Research Foundation of Hawaii; Chamber of Commerce Hawaii; Hawaii Association of REALTORS; Building Industry Association of Hawaii; and one individual.

Your Committees find that traditional zoning and land use designations are no longer adequate to meet current development trends. Mixed-use zoning encourages smart growth and the development of compact, higher-density communities consisting of walkable areas with housing, jobs, shops, and services located within close proximity. Mixed-use developments are especially beneficial for low- and

moderate-income households because they reduce transportation costs, traffic congestion, and the number of vehicle miles traveled by community residents.

Your Committees further find that the Hawaii Housing Finance and Development Corporation is authorized to develop certain types of facilities in partnership with the Department of Education and the Department of Accounting and General Services. Expansion of this authority to other state and county governmental agencies would enable the Corporation to use its development powers in partnership with any governmental agency that holds developable land.

Your Committees have amended this measure by:

- (1) Clarifying that the Hawaii Housing Finance and Development Corporation, on its own behalf or on behalf of any federal, state, or county agency, may plan, develop, construct, and finance housing projects, including mixed-use developments in which housing is a significant component; 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 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. 2822, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2822, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 5. Noes, none. Excused, 2 (Green, Taniguchi).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 2253 Housing on S.B. No. 2833

The purpose and intent of this measure is to increase funding for affordable rental housing development by making state low-income housing tax credits more valuable by accelerating the period during which tax credits may be claimed from ten to five years.

Your Committee received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor; Department of Business, Economic Development and Tourism; Hawaii Housing Finance and Development Corporation; Department of Human Services; Hawaii Habitat for Humanity; Hawai'i Association of REALTORS; Catholic Charities Hawai'i; and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the development of low-income affordable housing is necessary to address the issue of homelessness and respond to the critical shortage of housing inventory in the community. Increasing the investment attractiveness of the state low-income housing tax credits would generate more equity to finance the development of affordable rental housing projects.

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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2833, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2833, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Green, Ihara, Slom).

SCRep. 2254 Housing on S.B. No. 2834

The purpose and intent of this measure is to authorize the creation of regional state infrastructure improvement subaccounts within the dwelling unit revolving fund and the use of the dwelling unit revolving fund to provide loans and grants to finance regional state infrastructure improvements in areas of planned growth.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of Planning; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Hawai'i Association of REALTORS; Chamber of Commerce Hawaii; and Building Industry Association of Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that orderly and planned infrastructure construction is the foundation for planned population growth and desirable communities. Infrastructure construction should be coordinated and timed or phased with planned development. Adequate infrastructure to accommodate future growth would provide livable communities with a desirable quality of life, make possible strategically situated affordable housing near jobs, and allow necessary infrastructure capacity to support development.

Your Committee further finds that infrastructure capacity must be increased to accommodate higher densities in and around the transit corridor. While this problem is most evident on Oahu, the neighbor islands also suffer from lack of infrastructure capacity to accommodate future growth. It is necessary to assist all counties, in accordance with an orderly and predictable plan for increasing infrastructure capacity, to better utilize existing areas for planned growth and mitigate impacts to areas that are appropriate for growth.

Your Committee has amended this measure by:

- (1) Inserting language to include the facilitation of complete streets and smart growth improvements as infrastructure improvements for which the Hawaii Housing Finance and Development Corporation shall make grants or loans to state agencies, counties, or private developers; 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2834, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2834, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2255 Judiciary and Labor on S.B. No. 2294

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 'Āina Haina Community Association. Your Committee received testimony in opposition to this measure from the Office of Information Practices.

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 section 92F-18, Hawaii Revised Statutes (HRS), to create a statutory requirement that government agencies exercise reasonable care in maintaining those government records open to public inspection.

Your Committee notes the concerns raised by the Office of Information Practices regarding the broad definition of a government record, liability issues when a government record is temporarily removed from its file, the standards in maintaining records, and the enforcement of this duty.

Accordingly, your Committee has amended this measure by:

- (1) Deleting section 2 and inserting the language suggested by the Office of Information Practices that proposed amendments to S.B. No. 140, H.D. 2 (Regular Session of 2015) to amend part V of chapter 92, HRS, to:
 - (A) Require each unit of government in the State and its political subdivisions to exercise reasonable care in the maintenance of all government records under its control that are required to be available for public inspection pursuant to chapter 92F, HRS;
 - (B) Create a rebuttable presumption that a unit of government in the State and its political subdivisions exercised reasonable care in its maintenance of its government records by adhering to a duly adopted records retention and destruction policy; and
 - (C) Establish damages for breaching a duty of exercising reasonable care in the maintenance of government records;
- (2) Changing the effective date from July 1, 2016, to upon approval; 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. 2294, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2294, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2256 Judiciary and Labor on S.B. No. 2837

The purpose and intent of this measure is to authorize funds for collective bargaining cost items in the agreement negotiated for employees in collective bargaining unit (11).

Your Committee received testimony in support of this measure from the Department of Budget and Finance and Hawaii Fire Fighters Association.

Your Committee finds that in December 2015, a memorandum of agreement was entered into to provide meal reimbursements for employees in collective bargaining unit (11) and their excluded counterparts. This measure provides a legislative vehicle to fund the collectively bargained terms that were agreed upon.

Your Committee has amended this measure by:

- (1) Inserting language that appropriates funds for the collective bargaining agreement for state officers and employees who are excluded from collective bargaining and belong to the same compensation plans as officers and employees in unit (11); 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. 2837, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2837, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2257 Judiciary and Labor on S.B. No. 3024

The purpose and intent of this measure is to:

- (1) Reduce the appropriation under Act 151, Session Laws of Hawaii 2015, from \$130,000 to \$50,000 for the Hawaii State Ethics Commission to design and develop an electronic filing system; and
- (2) Reappropriate the savings from the electronic filing system for fiscal year 2015-2016 for vacation payouts for retiring employees of the Hawaii State Ethics Commission and a task force that may be established by the Legislature to assist and advise the Commission.

Your Committee received testimony in support of this measure from the Hawaii State Ethics Commission. Your Committee received comments on this measure from the League of Women Voters of Hawaii.

Your Committee finds that the Hawaii State Ethics Commission (Commission) is working with the Office of Enterprise Technology Services (ETS) in designing and developing an electronic filing system to allow financial disclosure statements, gifts disclosure statements, travel authorization forms, lobbyist registration forms, and lobbyist expenditure reports to be filed through the Commission's website. As a result of this partnership with ETS, the Commission is realizing a savings of \$80,000 from its original appropriation of \$130,000. This measure reappropriates the savings to provide funds for other costs expected to be incurred by the Commission.

Your Committee notes the Commission's testimony that while it has recently paid approximately \$44,000 of accrued vacation to two employees who retired from state service on December 30, 2015, the Commission has budgeted for vacation payout expenses in its budgetary request under H.B. No. 2720 (Regular Session of 2016). Accordingly, the Commission testified that it does not believe that redirecting the savings from the electronic filing system for this purpose is necessary.

Your Committee further notes that the Commission supports the re-direction of funds for a task force to assist and advise the Commission. In particular, the Commission supports the establishment of a task force to examine the lobbyist laws and recommend amendments to the law. The Commission testified that the lobbyist laws under chapter 97, Hawaii Revised Statutes, are outdated and the Legislature should consider a comprehensive overhaul of the statutes.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the language suggested by the Hawaii State Ethics Commission that:
 - (A) Removes language that reappropriates the savings from the electronic filing system to provide funds for vacation payouts for retiring employees; and
 - (B) Establishes the lobbyist law task force to examine the State's lobbyist laws and make recommendations to the Legislature to amend these laws, if necessary, and identifies the members of the task force; and
- (2) Inserting a blank appropriation amount to cover the expenses incurred for administering and operating the lobbyist law task force;
- (3) Inserting an effective date of January 7, 2019, 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. 3024, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3024, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2258 Judiciary and Labor on S.B. No. 2556

The purpose and intent of this measure is to appropriate funds to the Department of Budget and Finance for the payment of the annual required contribution for the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and University of Hawaii Professional Assembly. Your Committee received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received comments on this measure from the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that the Hawaii Employer-Union Health Benefits Trust Fund provides benefits to active and retired beneficiaries of the fund. Implementation of this measure will reduce the unfunded actuarial accrued liability of the fund and help ensure that fund benefits continue to be available to all beneficiaries.

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. 2556 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2259 Commerce, Consumer Protection, and Health on S.B. No. 2854

The purpose and intent of this measure is to make numerous updates throughout the State's insurance code, including amendments relating to catastrophe reserves, coverage requirements, electronic filing and payment of premium taxes, disclosure requirements, notice for claim filers, sponsored captive insurance companies, required mental health benefits coverage, duty to respond during an examination of the Insurance Commissioner, and other housekeeping and conforming amendments.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and one individual. Your Committee received testimony in opposition to this measure from the American Insurance Association, Property Casualty Insurers Association of America, National Association of Mutual Insurance Companies, and State Farm Insurance. Your Committee received comments on this measure from the Hawaii Insurers Council and Hawaii Medical Service Association.

Your Committee finds that this measure establishes the Hawaii Mandatory Catastrophe Reserve Act, which requires authorized insurers to establish reserve funds to pay for losses arising out of catastrophes occurring in Hawaii. However, your Committee has heard the concerns that establishing the Hawaii Mandatory Catastrophe Reserve Act could have adverse unintended consequences on the marketplace, possibly resulting in higher insurance premiums for property and hurricane insurance. According to testimony received by your Committee, no other state has adopted a similar proposal for a mandatory catastrophe reserve. Your Committee understands these concerns and believes the establishment of a mandatory catastrophe reserve may be more appropriate at another time.

Your Committee further finds that, among other things, this measure also requires insurers to file their annual statement and premium tax statements and pay their premium taxes electronically, which will streamline the collection of data and taxes. Your Committee believes a delayed implementation date for these requirements is appropriate, to allow insurers reasonable time to update their systems for compliance with these new filing and payment requirements.

Your Committee additionally finds that this measure amends several health care provider provisions within the insurance code, to make the law more consistent and expand the types of health care providers covered by insurance. However, your Committee has heard the concerns that the requirement to recognize licensed dietitians as providers of mental health services may be overly broad. Amendments to this measure that clarify the scope of covered licensed dietitians who provide mental health services and treatment plans are therefore necessary.

Your Committee has amended this measure by:

- (1) Deleting language that would have established the Hawaii Mandatory Catastrophe Reserve Act and deleting an associated reference to the proposed mandatory catastrophe reserve;
- (2) Updating references in sections 431:10A-116.6 and 431:10A-116.7, Hawaii Revised Statutes, from “nurse practitioner-delivered” and “certified midwife-delivered” to “advanced practice registered nurse-delivered” to reflect proper updated terminology;
- (3) Clarifying that notification must be provided to a health care provider, insured, or member filing a claim from a non-contracted provider, if an insurer requires more time to review a claim;
- (4) Inserting a definition of “licensed dietitian” and clarifying that mental health services and treatment plans provided and approved by a licensed dietitian are limited to licensed dietitians treating eating disorders;
- (5) Inserting an effective date of January 1, 2017, for the sections of this measure that require insurers to file and pay their premium taxes electronically; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2854, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2854, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Ruderman).

SCRep. 2260 Commerce, Consumer Protection, and Health on S.B. No. 2689

The purpose and intent of this measure is to:

- (1) Establish definitions for “disposable electronic smoking device”, “electronic smoking device”, “e-liquid”, and “reusable electronic smoking device”;
- (2) Amend the definitions of “dealer”, “retailer”, “sale” or “sold”, “wholesale price”, and “wholesaler” to include electronic smoking devices and e-liquid;
- (3) Increase the license fee for wholesalers and dealers of cigarettes, tobacco products, electronic smoking devices, and e-liquid; and
- (4) Increase the retail tobacco permit fee for retailers of cigarettes, tobacco products, electronic smoking devices, and e-liquid.

Your Committee received testimony in support of this measure from the American Cancer Society Cancer Action Network and Coalition for a Tobacco-Free Hawai‘i. Your Committee received testimony in opposition to this measure from the Hawaii Food Industry Association, Hawaii Smokers Alliance, VOLCANO Fine Electronic Cigarettes, PC Gamerz, and twelve individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the public health rationale for the regulation of cigarettes and tobacco products is well developed, as tobacco use is the single most preventable cause of disease, disability, and death in the United States. In addition to substantive state laws governing specific aspects of tobacco production, sales, and use, Hawaii law requires retailers, wholesalers, and dealers of cigarettes or tobacco products to obtain a special license or permit. These licenses and permits facilitate the enforcement of the cigarette tax and tobacco tax law under chapter 245, Hawaii Revised Statutes. However, the current license fee for wholesalers and

dealers is only \$2.50 a year, while retail tobacco permit fees cost only \$20 a year. These fees should be increased and the law updated to include electronic smoking devices and e-liquid.

Your Committee has amended this measure by:

- (1) Allowing electronic smoking devices, packages of electronic smoking devices, containers of electronic smoking devices, e-liquid, packages of e-liquid, and containers of e-liquid to be seized and forfeited if unlawfully sold, possessed, kept, stored, acquired, distributed, or transported; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2689, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2689, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2261 Commerce, Consumer Protection, and Health on S.B. No. 2888

The purpose and intent of this measure is to:

- (1) Ensure the timely administration of mental health examinations by establishing separate evaluations for fitness to proceed and for penal responsibility, with certain exceptions;
- (2) Support the process of expedient administration of justice; and
- (3) Clarify the procedure for reevaluation of fitness to proceed after a finding of unfitness and attempts at restoration.

Your Committee received testimony in support of this measure from the Department of Health, Hawai'i Psychological Association, and one individual. 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 Hawaii Disability Rights Center.

Your Committee finds that under section 704-404, Hawaii Revised Statutes, when a defendant's fitness to proceed comes into question, the criminal proceedings are stopped, and the court must order a physical or mental examination of the defendant to determine the defendant's fitness to proceed and whether the defendant was penally responsible for the alleged crime. During this period of time, a pretrial defendant, who may have a serious mental disease or defect, may be held in state custody for more than thirty days awaiting the evaluation due to the complexity of conducting an evaluation that examines both fitness to proceed and penal responsibility. It is in the best interest of the defendants for the examination process to proceed in a timely, expedient manner by separating the fitness to stand trial and the penal responsibility components of examinations and codifying procedures for appointing examiners for reevaluation of fitness.

Your Committee has amended this measure by:

- (1) Inserting language that clarifies that when a court orders an examination related to a defendant's physical or mental condition at the time of the conduct, all proceedings in the prosecution shall be suspended pending the completion of the examination;
- (2) Clarifying that examinations for fitness to proceed and penal responsibility shall be conducted separately unless a combined examination has been ordered by the court upon a request by the defendant or upon a showing of good cause to combine the examinations; provided that if the examinations are separate, the examination for penal responsibility shall not be ordered after thirty days of a finding of fitness to proceed;
- (3) Clarifying that after obtaining all existing medical, mental health, social, police, and juvenile records of a defendant under examination with respect to physical or mental disease, disorder, or defect excluding penal responsibility, the court shall make the records available to the examiners in hard copy or digital format; provided that the court may order that the records be made available to the prosecuting attorney and counsel for the defendant in either format;
- (4) Amending language to clarify that examiners for fitness to proceed report upon the defendant's fitness to proceed, rather than the physical and mental condition of the defendant;
- (5) Amending language that requires examiners of an examination of a defendant alleged to be affected by a physical or mental disease, disorder, or defect to form and render an opinion on the defendant's fitness to proceed independently from other examiners;
- (6) Clarifying that the examinations for fitness to proceed and penal responsibility shall be conducted separately unless a combined examination has been ordered by the court upon a request by the defendant or upon showing of good cause to combine the evaluations;
- (7) Clarifying that any examiner shall be permitted to make a separate explanation reasonably serving to clarify the examiner's opinion;
- (8) Clarifying that after obtaining all existing medical, mental health, social, police, and juvenile records of a defendant under examination with respect to physical or mental disease, disorder, or defect excluding fitness to proceed, the court shall make the records available to the examiners in hard copy or digital format; provided that the court may order that the records be made available to the prosecuting attorney and counsel for the defendant in either format;

- (9) Clarifying that if a court is satisfied that a defendant may be released on conditions without risk of substantial danger to the defendant or to the person or property of others, the court shall order the defendant's release on conditions the court determines necessary;
- (10) Clarifying that for a defendant charged with offenses other than murder in the first or second degree, attempted murder in the first or second degree, or a class A felony, the court may appoint one qualified examiner to examine and report upon the physical and mental condition of the defendant;
- (11) Amending language that allows the court to order that a defendant remain in the custody of the Director of Health subject to bail or until a judgment on the verdict or a finding of guilt after a plea of guilty or nolo contendere; provided that the court may consider a request from the Director of Health to rescind its order for maintaining the defendant in the Director's custody;
- (12) Inserting conforming amendments in sections 704-411 and 704-414, Hawaii Revised Statutes; 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2888, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2888, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2262 (Majority) Commerce, Consumer Protection, and Health on S.B. No. 2076

The purpose and intent of this measure is to:

- (1) Establish a durable medical equipment supplier license program for suppliers of durable medical equipment, prosthetics, orthotics, and related supplies through the Office of Health Care Assurance;
- (2) Allow license fees to be deposited into the office of health care assurance special fund;
- (3) Amend the cap on amounts of the health care assurance special fund that may be used per fiscal year for the Office of Health Care Assurance's activities; and
- (4) Amend the balance of the office of health care assurance special fund above which monies are deposited into the general fund.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Hawai'i Primary Care Association, Hawaii COPD Coalition, and Healthcare Association of Hawaii. Your Committee received comments on this measure from the Department of Health and Hawaii Medical Service Association.

Your Committee finds that in 2013, the federal government established the durable medical equipment competitive bidding program in one hundred metropolitan areas across the nation. The City and County of Honolulu was included as one of those areas and is the only Hawaii locality that was required to participate. In the years since the competitive bidding program was established, the program has reduced reimbursements drastically for local providers, compromised the quality of care for residents, disrupted health status, and increased costs for seniors and their families.

Your Committee further finds that there is also a unique problem in Hawaii of contacting vendors, since many are based on the mainland with no special phone or service hours to account for the time difference. To make matters worse, the federal government plans to roll out a form of the competitive bidding program into the neighbor islands in 2016, which will create greater challenges for rural beneficiaries when trying to access needed services, resulting in reductions in their health and quality of life.

Your Committee notes that the revenues collected from the licensing fee for durable medical equipment suppliers should cover the part-time position that the Department of Health would need to administer the licensing program.

Your Committee has amended this measure by:

- (1) Increasing the maximum licensing fee that the Department of Health may assess from \$150 to \$350 on each durable medical equipment supplier who receives a license;
- (2) Clarifying that the monies in the office of health care assurance special fund be used for administering and supporting the durable medical equipment supplier license program; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2076, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2076, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 2263 Commerce, Consumer Protection, and Health on S.B. No. 2675

The purpose and intent of this measure is to require:

- (1) Dentist, physician, osteopathic physician, physician assistant, nurse, and pharmacist license applicants who have had a license, permit, or ability to practice suspended in another jurisdiction to undergo a hearing and investigation to determine competency prior to being issued a license to practice in Hawaii;
- (2) The Board of Dental Examiners, Hawaii Medical Board, Board of Nursing, and Board of Pharmacy to summarily suspend a Hawaii license upon a determination that a licensee has had a license, registration, or ability to practice suspended or revoked in any other jurisdiction, pending a hearing to prove competency; and
- (3) An order of summary suspension or any disciplinary action taken to be public record.

Your Committee received testimony in support of this measure from the Hawaii Medical Association and Hawaii Dental Association. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Board of Dental Examiners, Board of Nursing, Board of Pharmacy, and Hawaii Medical Board.

Your Committee finds that timely action in reciprocal discipline cases is a vital aspect of consumer protection. Furthermore, delayed action in reciprocal discipline cases, particularly in emergency situations, can put patients unnecessarily at risk. This measure attempts to ensure timely reciprocal discipline of health care professionals by requiring a competency hearing and investigation if an applicant has had a license revoked or suspended in another jurisdiction and requires the summary suspension of a licensee upon a determination that the licensee's license, registration, or ability to practice has been suspended or revoked in any other jurisdiction.

Your Committee has heard testimony that a similar bill, Senate Bill No. 2864 (Regular Session of 2016), which previously passed out of your Committee, creates a simpler, more expedient mechanism for reciprocal discipline, although the process in Senate Bill No. 2864 only applies to licensees regulated by the Hawaii Medical Board. More importantly, Senate Bill No. 2864 also protects Hawaii consumers during the disciplinary process by prohibiting a licensee who has been banned from practicing in another jurisdiction from practicing in the State until the Hawaii Medical Board issues a final order. This protection ensures that Hawaii patients will not be at risk of receiving medical treatment from a licensee who was the subject of serious discipline elsewhere.

After a discussion with interested stakeholders, your Committee concludes that adopting the reciprocal discipline mechanisms of Senate Bill No. 2864, but expanding this process to cover dentist, physician, osteopathic physician, physician assistant, nurse, and pharmacist licensees, is in the best interest of consumers, licensing boards, and licensees in Hawaii. Your Committee notes that the requirement for any final order of discipline taken to be public record, as proposed by this original measure, will remain in the amended measure.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that required dentist, physician, osteopathic physician, physician assistant, nurse, and pharmacist license applicants who had a license, permit, or ability to practice suspended in another jurisdiction to undergo a hearing and investigation to determine competency prior to being issued a license to practice in Hawaii;
- (2) Removing language that required the Board of Dental Examiners, Hawaii Medical Board, Board of Nursing, and Board of Pharmacy to summarily suspend a Hawaii license upon a determination that a licensee had a license, registration, or ability to practice suspended or revoked in any other jurisdiction, pending a hearing to prove competency;
- (3) Authorizing the Board of Dental Examiners, Hawaii Medical Board, and Board of Pharmacy to deny a license to an applicant who has been disciplined by another state or federal agency and authorizing the Board of Nursing to deny a license to an applicant who has been disciplined by another state agency;
- (4) Authorizing the Board of Dental Examiners, Hawaii Medical Board, Board of Nursing, and Board of Pharmacy to impose the same disciplinary action against a licensee as was taken by another state or federal agency;
- (5) Establishing conditions for the disciplinary action;
- (6) Prohibiting a licensee from practicing until a final order of discipline is issued if disciplinary action taken by another state prohibited the licensee from practicing in that state;
- (7) Clarifying that any final order of discipline taken shall be public record;
- (8) Inserting an effective date of July 1, 2016; 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2675, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2675, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2264 (Joint/Majority) Education and Commerce, Consumer Protection, and Health on S.B. No. 1311

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.

Prior to the hearing on this measure, your Committees made available for public review a proposed S.D. 1 of this measure. The proposed S.D. 1 deleted the contents of this measure and inserted provisions allowing an individual of a school-based profession to engage in the practice of behavior analysis without being licensed as a behavior analyst; provided that the unlicensed individual does not use the title or description to state or imply that the individual is a licensed behavior analyst.

Your Committees received testimony in support of the proposed S.D. 1 from the Department of Education. Your Committees received testimony in opposition to the proposed S.D. 1 from the State Council on Developmental Disabilities; Hawaii Association for Behavior Analysis; Hawaii Association of School Psychologists; Wolff Behavioral Services, LLC; Hawaii School Counselor Association; Autism Behavior Consulting Group, Inc.; Hawaii State Teachers Association; Autism Society of Hawaii; Keiki Educational Consultants; and numerous individuals.

Your Committees find that teachers and other Department of Education personnel must employ a wide range of strategies in the course of their regular duties to effectively instruct students and create an environment conducive to learning. Some of these strategies employ principles and techniques that fall inside the practice of behavior analysis. If teachers are required to be licensed as behavior analysts before they employ these techniques, they will be hindered in their ability to provide educational services to their students. However, your Committees note that teachers who are not licensed as behavior analysts are not equipped to provide the same services as a licensed behavior analyst, especially with regard to students with special needs. For that reason, the use of behavior analysis techniques by teachers who are not licensed as behavior analysts should be limited to the course of their recognized scopes of practice.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending it by:

- (1) Inserting language to clarify that the licensing of behavior analysts is not intended to restrict the practice of other licensed or credentialed educational practitioners practicing within their own recognized scopes of practice, rather than specifically exempting school-based professionals from required behavior analyst licensing; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1311, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1311, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, 1 (Slom). Excused, 1 (Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, 1 (Slom). Excused, 2 (Nishihara, Ruderman).

SCRep. 2265 (Joint/Majority) Education and Transportation and Energy on S.B. No. 2604

The purpose and intent of this measure is to require the Department of Education to implement an off-grid, microgrid pilot project at a school of the Department's choosing through its Ka Hei program.

Your Committees received testimony in support of this measure from the Department of Education, Opterra Energy Services, Blue Planet Foundation, and one individual.

Your Committees find that electricity usage at Department of Education schools causes high utility costs to the Department. The need to install heat abatement equipment in some schools is likely to increase the demand for electricity at Department schools.

Your Committees further find that schools may be viable locations for the establishment of off-grid microgrid systems. Microgrid systems in schools would reduce the Department's electricity costs and reduce load on the municipal power grid. A school with a microgrid system could serve as a disaster response center and shelter in the event of a hurricane or other civic emergency.

As affirmed by the records of votes of the members of your Committees on Education and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2604 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

Transportation and Energy: Ayes, 4; Ayes with Reservations (Inouye). Noes, 1 (Slom). Excused, 2 (English, Nishihara).

SCRep. 2266 Education on S.B. No. 2598

The purpose and intent of this measure is to appropriate funds to the Department of Education for the purpose of hiring teachers in the areas of fine arts, Hawaiian and Polynesian studies and language, vocational education, and mentoring.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, Kamehameha Schools, and one individual. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that a teacher shortage exists in many areas of education, including fine arts, Hawaiian and Polynesian studies and language, vocational education, and mentoring. These areas of education are vital to the development of Hawaii's students, yet they are often de-emphasized in favor of other educational priorities. This measure would provide resources for the Department of Education to hire teachers to provide greater educational opportunities to students in these areas of study.

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. 2598 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2267 Human Services on S.B. No. 2070

The purpose and intent of this measure is to establish a full-time program specialist position for Maui County within the Adult Protective and Community Services Branch of the Department of Human Services to oversee the foster grandparent program and senior companion programs for the islands of Maui, Molokai, and Lanai.

Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that the prior creation of a program specialist on the island of Kauai resulted in a significant increase in the number of active senior volunteers on Kauai, and that the same is needed in Maui County. In 2014, a federal compliance monitoring of the senior companion program in Hawaii identified the lack of adequate staffing as an area of concern. The program specialist position created by this measure will provide program support to the foster parent program and the senior companion program, including developing senior volunteers and recruiting and supporting volunteer stations to coordinate assignments in school settings and for home-bound seniors.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2070 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2268 (Majority) Human Services on S.B. No. 2898

The purpose and intent of this measure is to make an emergency appropriation for fiscal year 2015-2016 to reimburse the Department of Labor and Industrial Relations and the Department of Human Services for costs incurred to comply with the Patient Protection and Affordable Care Act of 2010.

Your Committee received testimony in support of this measure from the Department of Human Services, Department of Labor and Industrial Relations, Office of Enterprise Technology Services, Chamber of Commerce Hawaii, and International Longshore and Warehouse Union Local 142.

Your Committee finds that the Department of Labor and Industrial Relations and the Department of Human Services used fiscal year 2015-2016 operating funds to cover expenses for the maintenance of the Medicaid eligibility application of the Department of Human Services enterprise system and for the transition of the functions of the Hawaii Health Connector to the State to enable Hawaii to be compliant with the Patient Protection and Affordable Care Act of 2010. The Departments need to be reimbursed for the funds used to be able to perform their mandated responsibilities and functions during fiscal year 2015-2016 and to continue to make health care payments for Medicaid recipients.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2898 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, 3 (Harimoto, Ruderman, Thielen).

SCRep. 2269 Human Services on S.B. No. 2218

The purpose and intent of this measure is to provide an employer who hires an elderly individual a nonrefundable tax credit for fifty percent of the wages of the elderly individual for the six-month period after the individual is initially hired by the taxpayer.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that elderly individuals often have a wealth of work and life experiences that allow them to make significant contributions to employers. Providing tax incentives to employers to hire elderly individuals will help to increase employment of Hawaii's aging population.

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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2218, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2218, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2270 Human Services on S.B. No. 2066

The purpose and intent of this measure is to provide funding for senior centers, which will enable seniors to participate in activities to help them remain active, healthy, and independent in their communities.

Your Committee received testimony in support of this measure from Catholic Charities Hawai'i; Moiliili Community Center Senior Center; National Active and Retired Federal Employees Association, Hawaii State Federation of Chapters; and twenty-seven individuals.

Your Committee finds that supportive relationships, interactions with the environment, and engaging in social activities are positively correlated with the well-being of older adults. Senior centers provide vital health education and screening, fitness, recreation, case management, and other services that enable thousands of seniors to maintain wellness, support independence, and avoid expensive institutional care.

Your Committee strongly urges the Department of Health to consider including the senior center funding in its base budget request as this appropriation has been a consistent annual request.

Your Committee has amended this measure by changing the appropriation amount to Catholic Charities Hawaii for the Lanakila Multi-purpose Senior Center to \$150,000.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2066, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2066, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2271 Human Services on S.B. No. 2344

The purpose and intent of this measure is to exempt the subsidies received directly by the applicant or recipient or payments made on behalf of or directly to the applicant or recipient from the section 8 housing voucher program of the United States Department of Housing and Urban Development for purposes of qualifying for the Supplemental Nutrition Assistance Program (SNAP).

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Department of Human Services. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that an individual who has section 8 housing voucher program payments made directly to a landlord or mortgagee on behalf of the individual should not lose eligibility to participate in SNAP merely because the individual fails to meet the income requirement due to the inclusion of the section 8 benefit. The Department of the Attorney General testified that under federal regulations, United States Department of Housing and Urban Development vendor payments, which would include the housing payments made directly to the landlord or mortgagee on behalf of the recipient, would be excluded from a household's income calculation for SNAP eligibility purposes, while subsidies received directly by the applicant or recipient are not excluded from an applicant's or recipient's income for SNAP eligibility purposes.

Your Committee has therefore amended this measure by deleting language exempting from income subsidies that are received directly by the applicant or recipient.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2344, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2344, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2272 Human Services on S.B. No. 3039

The purpose and intent of this measure is to authorize health care providers under Medicaid to place on the Medicaid certification and re-certification form a question to ask clients about participation in the Supplemental Nutrition Assistance Program (SNAP) and report aggregate responses to the Legislature.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Department of Human Services.

Your Committee finds that individuals that receive assistance through the state Medicaid program are likely to be eligible to participate in SNAP, commonly known as the food stamp program, as eligibility for both programs is based on income. In October 2015, 182,226 people in Hawaii participated in SNAP, but 341,829 people in Hawaii were enrolled in Medicaid, which left 159,603 people who were enrolled in Medicaid but not in SNAP. If these additional, eligible, 159,603 individuals participated in SNAP, the State could receive more federal funding, an estimated \$247,000,000, which would ultimately be injected into the economy in Hawaii with no negative impact on the state budget. Authorizing health care providers to question those currently receiving Medicaid benefits about their participation in SNAP can help to educate clients about the benefits available to them based on their qualifications.

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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3039, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3039, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2273 Human Services on S.B. No. 2311

The purpose and intent of this measure is to repeal section 586-10.5, Hawaii Revised Statutes, which requires, among other things:

- (1) Family courts to report to the Department of Human Services in each case where a temporary restraining order is sought for the alleged abuse of a family or household member who is a minor or incapacitated person; and
- (2) The Department of Human Services to investigate each allegation of domestic violence and submit a written report to the family courts in advance of the hearing on the temporary restraining order.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii State Commission on the Status of Women, Hawaii State Coalition Against Domestic Violence, Domestic Violence Action Center, and two individuals. Your Committee received testimony in opposition to this measure from the Judiciary of the State of Hawaii.

Your Committee finds that under section 350-1.1 Hawaii Revised Statutes (HRS), employees or officers of any law enforcement agency, including the courts, must report immediately to the Department of Human Services all cases where they have reason to believe that child abuse or neglect has occurred or that there exists a substantial risk that child abuse or neglect may occur in the reasonably foreseeable future. Pursuant to section 346-224, HRS, they must also report to the Department of Human Services if they have reason to believe that a vulnerable adult has incurred abuse or is in danger. Your Committee finds that families experiencing domestic violence should have access to protective orders and other domestic services, and that referral from the family courts to the Department of Human Services is one expedient way to access those much needed services.

Your Committee also finds that amendments are necessary to align this measure with reporting requirements already in statute and to clarify that the reporting will not be automatic, but done after the employee or officer of the law enforcement agency has evaluated each case on an individual basis.

Your Committee has therefore amended this measure by:

- (1) Amending section 586-10.5, HRS, rather than repealing it entirely, to clarify circumstances in which the family courts report to the Department of Human Services and align the language in section 586-10.5, HRS, to conform to the reporting requirements in chapters 350 and 587A and section 346-224, HRS, which the family courts currently follow; 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2311, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2311, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2274 Human Services on S.B. No. 3008

The purpose and intent of this measure is to promote the health of Hawaii's homeless population by establishing a system to securely gather data regarding homeless individuals' usage of publicly funded medical assistance programs.

Your Committee received testimony in support of this measure from Hawai'i Pacific Health and one individual. Your Committee received comments on this measure from the Governor's Coordinator on Homelessness under the Office of the Governor, Department of Human Services, and Healthcare Association of Hawaii.

Your Committee finds that in order to provide important health care to the homeless, the State needs pertinent data regarding the treatments and services administered to the homeless. Information on the usage of health care can assist policy makers in making informed decisions about allocation of resources and services necessary to assist the homeless. One way to access data on housing status is on the application for Medicaid.

Your Committee has amended this measure by:

- (1) Deleting the language that proposed a mandatory system of data collection and reporting;
- (2) Inserting language that allows Medicaid providers to place on Medicaid certification and recertification forms a question composed by the Department of Human Services to determine the housing status of an individual; and
- (3) Inserting language that allows Medicaid providers to collect and release aggregate housing status data to the Legislature.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3008, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3008, S.D. 1, and be referred to your Committees on Commerce, Consumer Protection, and Health and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Thielen).

SCRep. 2275 (Joint) Human Services and Housing on S.B. No. 2335

The purpose and intent of this measure is to appropriate funds for the emergency rent and utility assistance program within the state Homeless Programs Office.

Your Committees received testimony in support of this measure from the Governor's Coordinator on Homelessness under the Office of the Governor and Department of Human Services.

Your Committees find that data collected by homeless service providers estimates that 26 percent of homeless persons are homeless primarily due to economic factors that may be resolved by a one-time or short-term rent and utility assistance payment. This measure appropriates funds to homeless households who may require this type of assistance.

Your Committees support the Governor's budget request with regard to the rapid re-housing and the housing first initiative requests. Your Committees intend to keep those provisions intact while adding to the emergency rent and utility assistance program with this measure.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2335 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).
Housing: Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2276 (Joint) Human Services and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2035

The purpose and intent of this measure is to authorize the issuance of general obligation bonds to finance construction of an adolescent treatment and healing center, plans for a centralized auto maintenance facility, construction of a hangar for the Kauai Fire Department's helicopter, development of a Salt Pond master plan, and improvements to the Kauai Veterans Cemetery.

Your Committees received testimony in support of this measure from the Department of Defense, Emergency Management Agency; Department of Defense, Office of Veterans Services; Office of the Mayor, County of Kaua'i; Kaua'i County Council; Kaua'i Fire Department; Hawaii Substance Abuse Coalition; and Ho'omana Pono, LLC. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that the projects proposed to be funded through this measure have various beneficiaries but ultimately improve the County of Kauai's ability to serve the needs of the county – the adolescent treatment and healing center is a top priority in the County of Kauai's Holo Holo 2020 Vision and is already underway; the centralized auto maintenance facility is necessary to consolidate the County of Kauai's equipment fleet and maintenance needs into one facility with adequate space and resources to maintain the fleet; the hangar for the Kauai Fire Department's helicopter will provide a permanent site to house the helicopter, eliminating the need to rent a hangar at Lihue Airport; the Salt Pond master plan is needed to integrate the various uses and infrastructure of the Salt Pond area into a regional center that preserves the area's cultural, social, and recreational components; and the Kauai Veterans Cemetery, which has already undergone assessments and planning for repairs and upgrades, is read to proceed with construction on those repairs and upgrades.

Your Committees note that should funds be appropriated for the construction of the adolescent treatment and healing center, additional funding would be necessary for any associated operational costs.

As affirmed by the records of votes of the members of your Committees on Human Services 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. 2035 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2277 (Majority) Government Operations on S.B. No. 2896

The purpose and intent of this measure is to authorize the Hawaii Labor Relations Board to serve complaints and notices of hearings by first class mail and electronic mail.

Your Committee received testimony in support of this measure from the Hawaii Labor Relations Board and one individual.

Your Committee finds that under existing law, the Hawaii Labor Relations Board may serve complaints and notices of hearings on a party by delivery to the person, mail, or telegram. However, the electronic service of complaints and notices is a faster and less expensive method of service. Implementation of this measure will save costs and provide a more efficient process to accommodate all parties.

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 is in accord with the intent and purpose of S.B. No. 2896, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2896, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, 1 (Slom). Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

SCRep. 2278 Government Operations on S.B. No. 3070

The purpose and intent of this measure is to establish legislative policies to:

- (1) Make appropriations for grants during the Regular Session of each odd-numbered year for the ensuing fiscal biennium; provided that the Legislature may add new appropriations or amend, or repeal existing grant appropriations during the Regular Session of an even-numbered year or a Special Session;
- (2) Appropriate funds for not more than one grant for each grant recipient during a fiscal biennium; and
- (3) Place a low priority on requests to fund the general and administrative expenses of a grant applicant.

Your Committee received testimony in support of this measure from Hawaii Youth Services Network. Your Committee received testimony in opposition to this measure from the Pana'ewa Hawaiian Home Lands Community Association. Your Committee received comments on this measure from Hawai'i Alliance of Nonprofit Organizations, Catholic Charities Hawai'i, West Hawai'i Mediation Center, and one individual.

Your Committee finds that it is necessary to improve the grant application and approval process established under chapter 42F, Hawaii Revised Statutes, spread grant appropriations among more recipients, and fund direct services, rather than overhead costs, of grant recipients. Implementation of this measure will increase transparency in the grant process and increase the opportunity for more applicants to receive grants.

Your Committee has amended this measure by:

- (1) Clarifying its purposes 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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3070, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3070, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

SCRep. 2279 Government Operations on S.B. No. 2719

The purpose and intent of this measure is to:

- (1) Require a fiscal impact statement for any proposed legislation that calls for an appropriation or results in significant fiscal changes for the State;
- (2) Require the Legislative Analyst to obtain the information necessary to prepare fiscal impact statements; and
- (3) Prohibit any legislative committee from holding a hearing on a measure that calls for an appropriation or results in a significant fiscal change for the State without a fiscal impact statement prepared by the Legislative Analyst.

Your Committee received testimony in support of this measure from Common Cause Hawaii and seven individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Tax Foundation of Hawaii, Grassroot Institute of Hawaii, and one individual.

Your Committee finds that according to the National Conference of State Legislatures, there are more than twenty states that require fiscal notes for every bill that is introduced in the respective state's legislature and additional states that require fiscal notes upon request or when a bill is expected to have a direct impact on revenues or spending. However, in Hawaii, there is limited and varying information available regarding the estimated revenue impact of measures that are introduced and go through the legislative process. Implementation of this measure will embolden the public's faith in government by increasing the transparency of the legislative process and encouraging fiscal accountability.

Your Committee has amended this measure by:

- (1) Requiring the Legislative Auditor to obtain the information necessary to prepare fiscal impact statements, rather than the Legislative Analyst; provided that the Office of the Legislative Analyst shall prepare all fiscal impact statements once the office is fully funded;
- (2) Replacing "Legislative Analyst" with "Legislative Auditor" where appropriate throughout the measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee recognizes that requiring a fiscal impact statement for the State budget bill may pose various challenges. Furthermore, the Legislative Auditor may need additional time to properly implement this measure. Your Committee finds that if this measure is considered for passage by your Committee on Ways and Means, that the committee further examine these issues.

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. 2719, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2719, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Tokuda).

SCRep. 2280 Government Operations on S.B. No. 2494

The purpose and intent of this measure is to:

- (1) Require the State Procurement Office to establish and maintain a database of all government procurement contract data, accessible to each governmental body;
- (2) Require each governmental body to provide all data relating to any procurement contract of the governmental body to the State Procurement Office; and
- (3) Appropriate funds to the Department of Accounting and General Services for the State Procurement Office to establish the statewide database.

Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that there is very little consistency with the way government procurements are solicited and with expectations pertaining to vendor proposals. The inconsistencies increase procurement processing time and reduce efficiency. The establishment of a statewide database of all government procurement contract data will lead to a better standardization of contracting practices across the State. Implementation of this measure will further the transparency and accountability of government contracting.

Your Committee has amended this measure by:

- (1) Requiring the chief procurement officer of each jurisdiction to be responsible for the collection and transmittal of data to the State Procurement Office; and

- (2) Inserting an appropriation amount of \$100,000.

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. 2494, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2494, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

SCRep. 2281 Government Operations on S.B. No. 2493

The purpose and intent of this measure is to require the State Procurement Policy Board to:

- (1) Audit and monitor the implementation of its rules and requirements of chapter 103D, Hawaii Revised Statutes;
- (2) Annually conduct a minimum of two audits of government purchasing agencies based on a pattern of noncompliance or upon circumstances of a particular procurement that indicate an intent to circumvent chapter 103D, Hawaii Revised Statutes; provided that there are follow-up audits;
- (3) Conduct random compliance audits of government purchasing agencies; and
- (4) Report the results of all compliance audits to the Legislature.

Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that it is prudent for the State Procurement Policy Board to examine whether the procurement policies that the Board develops and adopts are being complied with by government agencies and if the policies are working as intended by the Board. Implementation of this measure will promote transparency and effectiveness in the procurement process and provide better assurance that government agencies are in compliance with the State's procurement laws.

Your Committee has amended this measure by:

- (1) Reinserting language to authorize, rather than require, the State Procurement Policy Board to audit and monitor the implementation of its rules and requirements of chapter 103D, Hawaii Revised Statutes;
- (2) Requiring the State Procurement Policy Board to annually review and examine, rather than audit, procurement contracts that are over \$50,000 of a minimum of two government purchasing agencies based on a pattern of noncompliance or upon circumstances of a particular procurement that indicate an intent to circumvent chapter 103D, Hawaii Revised Statutes; provided that there are follow-up examinations;
- (3) Requiring the State Procurement Policy Board to conduct random compliance examinations, rather than audits, of government purchasing agencies to ensure compliance with chapter 103D, Hawaii Revised Statutes;
- (4) Requiring the State Procurement Policy Board to report the results of all compliance examinations, rather than audit results, to the Legislature no later than twenty days before the convening of each Regular Session; and
- (5) Amending section 1 to reflect the amended purpose of the 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 is in accord with the intent and purpose of S.B. No. 2493, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2493, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

SCRep. 2282 (Majority) Transportation and Energy on S.B. No. 2715

The purpose and intent of this measure is to require that motor vehicles safety inspections be conducted every two years rather than annually.

Your Committee received testimony in opposition to this measure from the Department of Transportation and Aloha Shell Service.

Your Committee finds that data from a report released in August of 2015 by the United States Government Accountability Office (GAO) found that only sixteen states currently require periodic motor vehicle safety inspections. Of those sixteen states, Hawaii is one of eleven that requires inspections to be conducted on an annual basis, while five states require inspections to be conducted on either a biennial or other basis. The results of the GAO study reveal that the existence of annual motor vehicle inspection programs does not produce conclusive evidence of improving vehicle safety conditions. Crash rates before and after the elimination of motor vehicles safety inspection programs varied little from year to year following the elimination of inspection programs.

Your Committee further finds that the current annual inspection program is an undue hardship to many of Hawaii's residents, especially those in rural areas. The recent decrease in availability of safety inspectors and limited business hours of inspection operators favors a shift from annual to biennial inspections. However, it is not the intent of your Committee to increase the fees collected for inspection services performed on a biennial schedule.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2715, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2715, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Chun Oakland). Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2283 Transportation and Energy on S.B. No. 2736

The purpose and intent of this measure is to:

- (1) Require a certificate of inspection for mopeds;
- (2) Require a moped driver, regardless of age, to wear a safety helmet securely fastened with a chin strap, closed-toe footwear, protective long pants, and a protective moped or motorcycle jacket; and
- (3) Define closed-toe footwear, protective long pants, and protective moped or motorcycle jacket.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that mopeds provide an inexpensive, reliable, and convenient means of transportation. However, your Committee finds that mopeds are almost entirely unregulated. The only requirement is that mopeds be registered and subject to a registration fee, in the same manner as bicycles under section 249-14, Hawaii Revised Statutes.

Your Committee further finds that the prevalence of mopeds and the likelihood of accidents involving mopeds require that mopeds be subject to registration and safety inspections, and have number plates.

Your Committee has amended this measure by:

- (1) Requiring that mopeds be subject to registration and safety inspections, and have number plates;
- (2) Deleting the requirement that moped drivers wear protective clothing and shoes; 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 and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2736, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2736, S.D. 1, and be referred to your Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 2284 Transportation and Energy on S.B. No. 3075

The purpose and intent of this measure is to require an owner of a trailer bought out-of-state and subsequently brought into the State to provide proof of payment of the use tax with the application for registration unless otherwise exempt.

Your Committee received testimony in support of this measure from Hawaii Specialty Vehicles LLC. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that there is an inconsistency in the collection of taxes for trailers being registered in the State. Businesses and individuals who buy trailers out-of-state and then import the trailers to Hawaii are often not assessed the use tax. This measure will ensure that the use tax shall be applied to all trailers, regardless of the origin of sale.

Your Committee has amended this measure on the recommendation of the Department of Taxation by:

- (1) Eliminating redundant language in the measure; and
- (2) Changing the effective date to January 1, 2017, to give the Department additional time to implement the new requirements.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3075, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3075, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2285 Transportation and Energy on S.B. No. 2585

The purpose and intent of this measure is to clarify when pedestrians may enter a crosswalk equipped with a countdown timer.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that section 291C-33, Hawaii Revised Statutes, relating to pedestrian-control signals, was last amended in 1981. This section needs to be updated to include countdown timers and to clarify when a pedestrian is allowed to cross when the countdown timer is operating. Countdown timers show pedestrians how many seconds are left to cross the street before the pedestrian signal changes from a flashing "Don't Walk" to a steady "Don't Walk" or upraised palm indication.

This measure clarifies that if a pedestrian-control signal is equipped with a countdown timer, any pedestrian who has partially completed the pedestrian's crossing while the countdown timer is operating shall complete the crossing to a sidewalk or safety island while the countdown timer is operating.

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 and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2585, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2585, 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, Nishihara, Slom).

SCRep. 2286 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2560

The purpose and intent of this measure is to:

- (1) Require the Department of Health to provide treatment and care for homeless individuals with serious and persistent mental health challenges as a part of its comprehensive mental health system; and
- (2) Appropriate monies for mental health care and treatment for homeless individuals.

Your Committees received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor, Department of Health, and Hawaii Substance Abuse Coalition.

Your Committees find that the issue of homelessness is complex, as there are many reasons why individuals become homeless, such as issues related to housing, poverty, access to health care, and mental health. A continuum of comprehensive services is needed to assist individuals with serious and persistent mental health issues in the State. This measure assists in providing effective, appropriate, and accessible treatment for homeless individuals suffering from mental health challenges.

Your Committees have amended this measure by:

- (1) Deleting language in the findings that references the tobacco master settlement agreement and expending requirements on certain programs by the Department of Health as it relates to the appropriation in this measure;
- (2) Amending the definition of “homeless individual” to mean an individual who is homeless as defined under section 346-361, Hawaii Revised Statutes, and who has a serious and persistent mental illness or is otherwise eligible for services;
- (3) Amending the program element of the community residential treatment system relating to a semisupervised, independent, but structured living arrangement by specifying that the arrangement is for certain persons who are at risk of becoming homeless by reason of serious and persistent mental illness; 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 Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2560, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2560, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).
Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2287 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2395

The purpose and intent of this measure is to enhance access to care via telehealth, including:

- (1) Requiring the State’s Medicaid managed care and fee-for-service programs to cover services provided through telehealth;
- (2) Specifying medical professional liability insurance policy requirements for telehealth coverage;
- (3) Clarifying reimbursement requirements for telehealth;
- (4) Requiring written disclosure of coverage and benefits associated with telehealth;
- (5) Lifting restrictions and limitations on patient setting and applicable telehealth technology;
- (6) Clarifying requirements for physicians and out-of-state physicians to establish a physician-patient relationship via telehealth; and
- (7) Ensuring reimbursement requirements for telehealth services apply to all Hawaii Employer-Union Health Benefits Trust Fund health benefits plans.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, University of Hawai‘i, The Queen’s Health Systems, Hawaii Medical Service Association, Healthcare Association of Hawaii, Planned Parenthood Votes Northwest and Hawaii, and DentaQuest. Your Committees received comments on this measure from the Department of Human Services, Department of the Attorney General, and Hawaii Medical Board.

Your Committees find that telehealth is a proven, efficient, and effective way to facilitate timely access to quality health care, improve health outcomes, reduce the incidence of avoidable urgent and emergent care, and ensure equitable distribution of health care providers. The use of telehealth allows health care providers to treat patients in settings that are more convenient and comfortable for the patient, which facilitates a patient-centered approach for delivery of health care services. Your Committees further find that telehealth is used extensively throughout the country and can be particularly effective in states like Hawaii, where many segments of the population, particularly in rural and medically underserved areas, may experience challenges in accessing quality health care.

However, your Committees additionally find that there are several significant barriers to telehealth in Hawaii that have contributed to poor adoption and utilization of telehealth by health care providers. Some of these major barriers include geographical limitations on service, limitations on patient setting, and restrictions on applicable technology. This measure removes these artificial barriers to telehealth to help health care providers and patients in the State realize the full benefits of telehealth.

Your Committees have heard the concerns that certain aspects of this measure, including patient-provider relationships, reimbursement, privacy issues, and telehealth for purposes of prescribing a controlled substance, may need to be clarified. Your Committees agree with these concerns and conclude certain amendments to this measure are necessary.

Accordingly, your Committees have amended this measure by:

- (1) Deleting language that specified no reimbursement would be provided for telehealth consultations unless a health care provider-patient relationship existed between the patient and one of the health care providers and exempted this provider-patient prerequisite from emergency department services, as this language did not meet current standards of clinical practice and such consultations are not currently reimbursable;
- (2) Requiring services provided by telehealth to be consistent with all federal and state privacy, security, and confidentiality laws;
- (3) To avoid potential confusion, removing language that required the combined amount of reimbursement for a distant site health care provider and originating site health care provider to be not less than the total amount permitted for reimbursement for the same services provided via face-to-face contact between a health care provider and a patient, as telehealth reimbursement is already required to be equivalent to in-person reimbursement for the same services;
- (4) Deleting the requirement that for purposes of prescribing a controlled substance, a physician-patient relationship shall be established pursuant to chapter 329, Hawaii Revised Statutes, and specifying that for purposes of prescribing opiates or medical marijuana, a physician-patient relationship shall only be established after an in-person consultation between the prescribing physician and the patient;
- (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 Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2395, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2395, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2288 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2886

The purpose and intent of this measure is to reduce barriers in accessing mental health care for adolescents by lowering the age of consent to receive treatment from eighteen years old to twelve years old.

Your Committees received testimony in support of this measure from the Department of Health, Hawaii Youth Services Network, and two individuals. Your Committees received comments on this measure from the Hawaii Medical Service Association.

Your Committees find that requiring parental consent for minors to receive substance abuse treatment and family planning services may pose a barrier to health care. Minors may find desired mental health services inaccessible due to the discomfort and even opposition caused by obtaining parental consent. By allowing access to mental health services for consenting minors, individuals seeking improved emotional well-being may be served in a timely manner.

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, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2886, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2886, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Ruderman).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2289 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2372

The purpose and intent of this measure is to:

- (1) Require the counties to accept the surrender of a private road in cases where there has been an absence of any act of private ownership over the road for five years;
- (2) Exempt the State and counties from performing any maintenance on a surrendered road and from liability arising from use of the road until the State or county performs maintenance work on the road; and

- (3) Deem a highway, road, alley, street, way, lane, bikeway, bridge, or trail that has been commonly used by residents of a particular area for emergency access purposes or for health and safety reasons to be publicly accessible for those reasons, without regard to actual ownership or responsibility for maintenance.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawai'i Association of REALTORS, Bank of Hawaii, and Chamber of Commerce of Hawaii. 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 Transportation.

Your Committees find that there are numerous roads throughout the State that are privately owned or whose ownership has been called into question. In many cases, these private roads are remnants of a road, or a small portion of a larger public road, whose ownership is disputed for various reasons. This has resulted in questions regarding who is responsible for the repair and maintenance of these roads, many of which are regularly used for vehicular traffic.

Your Committees further find that since these private roads are not owned by a governmental entity, or their ownership is being disputed, they often do not receive proper repair and maintenance.

Your Committees have amended this measure by:

- (1) Limiting the period of state or county immunity from liability for personal injury, death, or property damage in any accident arising out of the use of a surrendered highway, road, alley, street, way, lane, bikeway, bridge, or trail for a period of two years following performance of construction, reconstruction, preservation, resurfacing, restoration, or rehabilitation; and
- (2) Immunizing the State or county from any liability for the negligent acts or omissions of others that the State or county did not already benefit from before the surrender of the highway, road, street, way, lane, bikeway, bridge, or trail, solely by reason of the surrender.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 2372, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2372, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2290 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2416

The purpose and intent of this measure is to make it a criminal offense to intentionally or knowingly direct the beam from a laser device at an occupied aircraft under certain circumstances.

Your Committees received testimony in support of this measure from the Department of Transportation and Honolulu Police Department.

Your Committees find that this measure is needed due to the recent incidents in which aircraft have become targets of green laser lights while flying or landing at an airport. Hawaii's existing penal code does not adequately address situations in which an offender injures or causes delays in flight schedules. Although pointing a laser at an aircraft is not yet a pervasive problem in Hawaii, it is a problem across the country and its frequency in the State is increasing. During the last ten years, 21,500 incidents involving laser devices and aircraft have been reported by pilots to the Federal Aviation Administration.

Your Committees have amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 2416, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2416, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2291 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2695

The purpose and intent of this measure is to repeal the law relating to the disposition of proceeds from the county surcharge on state tax.

Your Committees received comments on this measure from the Department of the Attorney General and Tax Foundation of Hawaii.

Your Committees find that the ten percent deduction for administrative expenses from the proceeds of the county surcharge on state tax is speculated to be far in excess of the actual costs to the State in collecting the tax on behalf of the counties. Your Committees further find that measures to ascertain the actual cost incurred by the Department of Taxation to assess, collect, and dispose of the surcharge revenues should be undertaken so that a revenue neutral impact to the Department can be implemented.

Your Committees have amended this measure by:

- (1) Deleting its purpose section;

- (2) Reinstating provisions relating to the disposition of the proceeds on the county surcharge but clarifying that the State's administrative share shall be the costs of assessment, collection, and disposition rather than ten percent of the proceeds; 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 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. 2695, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2695, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2292 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3115

The purpose and intent of this measure is to authorize the counties to:

- (1) Conduct background checks for criminal history for applicants for taxicab drivers' certificates; and
- (2) Require applicants to submit fingerprints to governmental agencies for background checks of the applicant.

Your Committees received testimony in support of this measure from the Department of Customer Services of the City and County of Honolulu and one individual. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that section 46-16.5, Hawaii Revised Statutes, authorizes the counties to protect the public health, safety, and welfare by licensing, controlling, and regulating public passenger vehicle services, including the picking up and discharging of passengers from various unrelated locations by taxicabs. In accordance with this authority, the counties have adopted ordinances and administrative rules addressing the supervision, regulation, and control of the transporting of passengers or property for hire in a taxicab, including criminal background checks for applicants of taxicab drivers' certificates and are used in determining whether an applicant may pose a danger to the health, safety, or welfare of the traveling public.

Your Committees further find that there is uncertainty as to whether the counties have the authority to access the database of the Federal Bureau of Investigation's or other agencies databases in order to conduct nationwide criminal background checks on applicants for taxicabs drivers' certificates.

Your Committees have amended this measure on the recommendation of the Attorney General by:

- (1) Conforming the authorization for every county to conduct criminal history record checks on taxicab drivers and applicants for taxicab drivers' certificates to the preferred protocol of the Hawaii Criminal Justice Data Center; and
- (2) Deleting the requirement for submission of fingerprints from applicants.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 3115, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3115, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2293 (Joint) Hawaiian Affairs and Judiciary and Labor on S.B. No. 2994

The purpose and intent of this measure is to:

- (1) Allow the Hawaiian Homes Commission and Department of Hawaiian Home Lands to retain independent legal counsel as needed;
- (2) Authorize the Hawaiian Homes Commission and Department of Hawaiian Home Lands to use the services of the Attorney General as needed and when the interests of the State, Hawaiian Homes Commission, and Department of Hawaiian Home Lands are aligned; and
- (3) Provide that funds owed to independent legal counsel shall be paid by the State.

Your Committees received testimony in support of this measure from the Department of Hawaiian Home Lands, Association of Hawaiian Civic Clubs, Villages of Laiopua Association, Moku o Keawe Homestead Alliance, Kailapa Community Association, and ten individuals. Your Committees received testimony in opposition to this measure from the Department of the Attorney General.

Your Committees note the testimony of the Department of Hawaiian Home Lands that twenty-one other state agencies currently have the autonomy that this measure would provide to the Hawaiian Homes Commission and Department of Hawaiian Home Lands. Your Committees also note its concern that there are currently no limits to the cost of independent legal counsel for the state agencies that retain such counsel.

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 are in accord with the intent and purpose of S.B. No. 2994, as amended herein, and

recommend that it pass Second Reading in the form attached hereto as S.B. No. 2994, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

Judiciary and Labor: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Thielen).

SCRep. 2294 Hawaiian Affairs on S.B. No. 3029

The purpose and intent of this measure is to appropriate funds for the administrative and operating expenses of the Department of Hawaiian Home Lands.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands; Association of Hawaiian Civic Clubs; Ka Lāhui Hawai'i Political Action Committee; Paukukalo Hawaiian Homes Community Association; Waimānalo Hawaiian Homes Association; Keaukaha Community Association; Kalama'ula Mauka Homestead Association; Pana'ewa Hawaiian Home Lands Community Association; Kailapa Community Association; Kapaakea Hawaiian Homestead Association; Moku O Keawe Homestead Alliance; KAFarmers Hui; Ho'omana Pono, LLC; Auamo I Na Alaka'i; Papakolea Community Development Corporation; and forty-six individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that the Hawaii State Constitution requires the Legislature to fund the administration and operating budget of the Department of Hawaiian Home Lands. Your Committee also finds that the appropriation to the Department of Hawaiian Home Lands for fiscal year 2015-2016 does not fully fund the administrative and operating expenses of the Department.

Accordingly, your Committee has amended this measure by:

- (1) Adding a blank appropriation for the Department of Hawaiian Home Lands for fiscal year 2015-2016;
- (2) Removing the amount of the appropriation for fiscal year 2016-2017;
- (3) Changing the effective date of the measure to be upon approval; provided that the appropriation for fiscal year 2016-2017 shall be effective on July 1, 2016; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

Your Committee has heard the testimony of the Department of Hawaiian Home Lands and others asserting that the funds appropriated to the Department have been insufficient. Accordingly, your Committee requests that if your Committee on Ways and Means chooses to hear this measure that it appropriate funds to bring the total appropriation for the Department for fiscal year 2015-2016 to \$28,000,000, and also appropriate \$28,000,000 for the Department for fiscal year 2016-2017.

Your Committee also affirms that by law, the total appropriation of funds to any department or establishment in the State is and shall be set by the Legislature. This measure may not in any way be interpreted as a concession of this authority.

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. 3029, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3029, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2295 Hawaiian Affairs on S.B. No. 2730

The purpose and intent of this measure is to appropriate funds for the planning, design, construction, and materials and equipment for the Anahola Hawaiian Homes Association.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands, Paukukalo Hawaiian Homes Community Association, and five individuals. Your Committee received testimony in opposition to this measure from Ho'omana Pono, LLC, and the Center for Hawaiian Sovereignty Studies.

This measure proposes to appropriate funds for an East Kauai Community Recreation Center and Anahola Pilot Agriculture Park. Your Committee finds that both facilities will enhance opportunities for the Anahola Hawaiian Homes community, including the opportunity to grow its own food.

Your Committee notes its concern about testimony stating that the Anahola Hawaiian Homes Association's Kumu camp has reportedly lost funding from the Department of Hawaiian Home Lands, is not properly managed, and has failed to comply with the terms of a contract with the State. Your Committee finds that this issue raises a concern that merits further consideration and requests that your Committee on Ways and Means 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 Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2730 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2296 Hawaiian Affairs on S.B. No. 2946

The purpose and intent of this measure is to require each county to adopt ordinances to authorize indigenous native Hawaiian architectural practices and materials in the county's building code for agricultural lands that are to be used for farm operations, including farm worker housing.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC; and one individual. Your Committee received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu and Department of Agriculture.

Your Committee finds that utilizing indigenous native Hawaiian architecture for housing will help to preserve the Hawaiian culture and provide communities with low-cost housing alternatives using available local resources.

Your Committee has amended this measure by:

- (1) Adding a reference to Act 222, Session Laws of Hawaii 2007, to 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 Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2946, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2946, S.D. 1, and be referred to your Committee on Water, Land, and Agriculture.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2297 Hawaiian Affairs on S.B. No. 3059

The purpose and intent of this measure is to allow any state or county agency to designate public and private lands for the construction of indigenous architecture, exempt from state and county laws and rules but under the supervision of experts in indigenous architecture and construction.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, Department of Planning and Permitting of the City and County of Honolulu, and Department of Agriculture. Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that allowing indigenous architecture to be built on more land in the State will increase the utility and value of indigenous Hawaiian architectural knowledge and encourage the preservation and application of Hawaiian culture in the community.

Your Committee has amended this measure by:

- (1) Clarifying that the lands that a state or county agency may designate for the construction of indigenous architecture must be under the agency's stewardship or control;
- (2) Requiring the supervision of a certified hale builder for the construction of any indigenous architecture;
- (3) Adding definitions of "certified hale builder" and "indigenous architecture"; 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. 3059, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3059, S.D. 1, and be referred to your Committee on Water, Land, and Agriculture.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2298 Hawaiian Affairs on S.B. No. 2806

The purpose and intent of this measure is to:

- (1) Amend the membership of the King Kamehameha Celebration Commission;
- (2) Authorize the chairperson of the commission to establish an advisory committee composed of past commission members to advise the chairperson on the historical and archival background of the commission;
- (3) Amend the personnel and support staff of the commission; and
- (4) Establish an executive director for the commission.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Royal Order of Kamehameha I, Association of Hawaiian Civic Clubs, and two individuals.

Your Committee finds that this measure provides necessary updates to the membership of the King Kamehameha Celebration Commission, clarifies the role and functions of the commission and its chairperson, and provides the commission's chairperson with formal access to an advisory committee.

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 Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2806, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2806, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2299 Hawaiian Affairs on S.B. No. 2762

The purpose and intent of this measure is to require the Auditor to conduct a financial and management audit of the King Kamehameha Celebration Commission and submit a report of any findings or recommendations to the Legislature.

Your Committee received testimony in support of this measure from the Association of Hawaiian Civic Clubs and one individual.

Your Committee finds that a financial and management audit of the King Kamehameha Celebration Commission will help to confirm the best practices of the Commission and identify areas where the Commission can improve its operations.

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. 2762 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2300 Hawaiian Affairs on S.B. No. 2763

The purpose and intent of this measure is to authorize the use of general fund monies to fund salaries for certain employees of the King Kamehameha Celebration Commission.

Your Committee received testimony in support of this measure from the Association of Hawaiian Civic Clubs, Waimanalo Hawaiian Homes Association, and one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that the King Kamehameha Celebration Commission is composed of volunteer commissioners who arrange annual celebrations to commemorate King Kamehameha I. Under existing law, the commission is authorized to appoint an arts program specialist and part-time clerk typist, whose salaries are provided through fees, public contributions, and private donations. Your Committee supports this measure, as it would expand the funding sources for salaries for these positions and facilitate the work of the 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 is in accord with the intent and purpose of S.B. No. 2763 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2301 (Joint) Transportation and Energy and Tourism and International Affairs on S.B. No. 3072

The purpose and intent of this measures is to establish the Hawaii Airport Authority under the Department of Transportation and to transfer the aeronautics function of the Department to the Hawaii Airport Authority beginning July 1, 2017.

Your Committees received testimony in support of this measure from the Department of Transportation, Hawaiian Airlines, Airlines Committee of Hawaii, and Airport Concessionaires Committee.

Your Committees find that Hawaii's air transportation planning, management, marketing, and development functions are currently spread out among a number of agencies, including the Department of Transportation's Airports Division, Hawaii Tourism Authority, Department of Health with respect to environmental concerns, and Office of Hawaiian Affairs when ceded lands issues arise. This multijurisdictional situation has resulted in inefficiencies and conflicts that are difficult to resolve between agencies. In addition, this situation sometimes leads to conflicting plans of action among the different agencies seeking to implement differing goals.

This measure establishes the Hawaii Airport Authority, a single entity with overall jurisdiction, to ensure the State makes efficient use of all of its air transportation resources, which will enhance and complement other state efforts to revitalize and sustain Hawaii's economy.

Your Committees have amended this measure on the recommendation of the Department of Transportation by:

- (1) Clarifying the powers and duties of the Hawaii Airport Authority;
- (2) Clarifying the qualifications, selection, and duties of the Administrator and the Board of Directors of the Hawaii Airport Authority;
- (3) Inserting provisions to enable the efficient transfer of functions, duties, and personnel from the Department of Transportation to the Hawaii Airport Authority, including the authorization for the Department of Transportation to hire consultants;
- (4) Making the transfer effective on July 1, 2018; and
- (5) Inserting an appropriation to assist the transfer.

Your Committees have further amended this measure by:

- (1) Inserting an effective date of June 22, 2022, to encourage further discussion; and

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

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 3072, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3072, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair and Majority Leader on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

Tourism and International Affairs: Ayes, 4. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2302 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2123

The purpose and intent of this measure is to clarify county zoning authority by:

- (1) Distinguishing single-family residential use from single-family vacation rental use; and
- (2) Allowing a zoning ordinance to amortize nonconforming single-family transient vacation rentals over a reasonable period.

Your Committee received testimony in support of this measure from the Hawaii Association of Counties, Kauai County Council, Maui County Council, Hawaii County Council, and Office of Hawaiian Affairs. Your Committee received testimony in opposition to this measure from the Rentals by Owner Awareness Association, Hawaii Association of REALTORS, and one individual.

Your Committee finds that the proliferation of vacation rentals in areas zoned for single-family residential use has created planning-related challenges for counties and highlights the need for clarity in state law governing this issue. Increased demand for single-family vacation rentals contributes to a diminishing supply of housing in Hawaii, which ultimately has an adverse effect on lower-income residents of the State. This measure would empower the counties to gradually phase out nonconforming single-family transient vacation rentals; however, your Committee also finds that this measure could have significant unintended consequences for home and property owners in Hawaii, and that further discussion and consideration are required.

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. 2123, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2123, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Espero, Inouye). Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2303 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2461

The purpose and intent of this measure is to:

- (1) Require practitioners who administer, prescribe, or dispense a controlled substance under schedules II through IV to register with the electronic prescription accountability system as part of the renewal process for controlled substance registration; and
- (2) Expand access to investigative information in the electronic prescription accountability system to certain individuals and for certain purposes.

Your Committee received testimony in support of this measure from the Department of Public Safety, Hawaii Medical Association, and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Veterinary Medical Association, Maui Humane Society, and two individuals. Your Committee received comments on this measure from two individuals.

Your Committee finds that the electronic prescription accountability program is an important mechanism for minimizing the abuse of prescription drugs. Mandatory registration in the program for practitioners who administer, prescribe, or dispense controlled substances will result in an expansion of the program's reach, and is in the public interest. However, your Committee notes that the electronic prescription accountability program is not relevant to veterinary practitioners due to the nature of their practice, clients, and patients.

Your Committee has amended this measure by:

- (1) Exempting veterinarians from mandatory registration with the electronic prescription accountability system as part of the renewal process for controlled substance registration; 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. 2461, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2461, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2304 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.B. No. 2483

The purpose and intent of this measure is to:

- (1) Add a new section to delineate the responsibilities of a person or entity defined as a “shipper”;
- (2) Allow fireworks to be used in movie productions and by those authorized to destroy or test fireworks; and
- (3) Make amendments regarding the dimensions of required labels on certain kinds of fireworks.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; State Fire Council; Maui Fire Department; and Kauai Fire Department. Your Committees received comments on this measure from the Department of Transportation and Young Brothers Ltd.

Your Committees find that the importation and sale of fireworks in Hawaii involves multiple modes of transport, including interstate trucking or rail, interstate maritime transportation, intrastate maritime transportation, and intrastate trucking. If misused, fireworks can cause considerable property damage and personal injury. Given the wide variety of transportation processes and the potential for risk, it is in the best interests of the health and safety of residents of the State to perform a thorough accounting and reporting on the importation of fireworks shipments.

Your Committees have amended this measure by:

- (1) Adopting the suggested amendment of the Department of Business, Economic Development, and Tourism to clarify that one of the exceptions to the firework prohibitions is for movie or television production, not just film or movie productions; 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 Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2483, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2483, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (English, Gabbard, Slom).

SCRep. 2305 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2484

The purpose and intent of this measure is to raise the fireworks display permit fee from \$110 to \$300.

Your Committee received testimony in support of this measure from the State Fire Council, Kauai Fire Department, and Hawaii Fire Department. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that licensed pyrotechnicians must obtain a permit before conducting fireworks displays in the State. For thirteen years, the fee has remained the same. In that same period, administrative costs to process, review, and approve permits have increased. Your Committee finds that it is appropriate to raise the permit fee to correspond to the increased administrative costs.

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. 2484 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2306 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2755

The purpose and intent of this measure is to establish a law enforcement employment standards and training board responsible for developing statewide standards for employment and training for certain county and state law enforcement officers.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Transportation, and fifteen individuals. Your Committees received testimony in opposition to this measure from the Department of the Prosecuting Attorney for the County of Maui; City and County of Honolulu Police Department; and Ho‘omana Pono, LLC. Your Committees received comments on this measure from the Department of Transportation and Department of Budget and Finance.

Your Committees find that Hawaii is the only state in the nation without a statewide law enforcement board for employment standards or training. Given the considerable power and authority given by the State and counties to police, sheriffs, and other law enforcement officers, it is important to establish statewide standards for these officers. Such standards would provide a common core of knowledge and training for state and county law enforcement officers.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2755 and recommend that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2307 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2914

The purpose and intent of this measure is to adjust the petition process for court orders to provide medical treatment to:

- (1) Allow a declaration to be filed as an alternative to an affidavit;
- (2) Expand the court's ability to continue the hearing on the petition for good cause;
- (3) Give the court more flexibility in deciding when a guardian ad litem is necessary;
- (4) Relax the time requirement for filing a court order for medical treatment;
- (5) Redefine the persons who must be notified of the petition;
- (6) Clarify the effective expiration date of the order; and
- (7) Provide the ability for the Department of Public Safety to seek an extension of an order to treat if necessary.

Your Committees received testimony in support of this measure from the Department of the Attorney General and Ho'omana Pono, LLC.

Your Committees find that existing statutes provide a procedure for involuntary medical treatment for inmates in the custody of the Department of Public Safety when the inmate poses a danger of harm to self or others. These procedures place unnecessary and arbitrary restrictions on doctors and correctional facility staff that reduce efficiency and generate avoidable risk. This measure proposes amendments to clarify issues to improve the operational efficiency of the petition process.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2914 and recommend that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Inouye).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2308 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2915

The purpose and intent of this measure is to update the Uniform Controlled Substances Act for consistency with amendments in federal controlled substances law.

Your Committees received testimony in support of this measure from Ho'omana Pono, LLC, and one individual. Your Committees received testimony in opposition to this measure from the Hawaii Veterinary Medical Association; Kindred Spirit Kindred Care, LLC; and five individuals. Your Committees received comments on this measure from one individual.

Your Committees find that drug scheduling in Hawaii is generally kept in accordance with federal standards. Federal standards change as new chemical compounds are developed and cataloged by law enforcement. Additionally, Hawaii has unique needs stemming from state initiatives and programs such as the electronic prescription accountability system and the medical marijuana program. Developments on the federal and state level require an update to the drug scheduling statutes in Hawaii.

Your Committees further find that since the electronic prescription accountability system is geared toward doctors treating human patients and is not applicable to veterinarians, amendments to this measure are necessary to clarify who must register to use the system.

Your Committees have amended this measure by:

- (1) Adding language to exclude veterinarians from mandatory registration with the Department of Public Safety to use the electronic prescription accountability system; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2915, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2915, S.D. 1, and be referred to your Committees on Judiciary and Labor and 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 (Inouye).

Commerce, Consumer Protection, and Health: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2309 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2916

The purpose and intent of this measure is to include misdemeanor offenses under chapter 134, Hawaii Revised Statutes, involving firearms, ammunition, and dangerous weapons, in the list of offenses that disqualify parolees from the maximum six-month parole revocation period provided for in Act 139, Session Laws of Hawaii 2012.

Your Committee received testimony in support of this measure from the Department of Public Safety, Hawaii Paroling Authority, Hawaii Rifle Association, and one individual.

Your Committee finds that under existing law, certain parole violators will be limited to a six-month revocation period of incarceration. Some parolees are excluded from this provision, including those charged with new felonies and certain misdemeanors. The currently identified misdemeanors do not include firearms and dangerous weapons offenses, which are considered serious

violations of parole. Your Committee finds that it is in the public interest to include firearms and weapons offenses in the list of misdemeanors that disqualify parolees from the maximum six-month parole revocation period.

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. 2916 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2310 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2954

The purpose and intent of this measure is to authorize the Hawaii criminal justice data center to access firearm registration data.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Honolulu Police Department, Hawaii Rifle Association, and three individuals. Your Committee received testimony in opposition to this measure from the County of Maui Department of the Prosecuting Attorney and seven individuals.

Your Committee finds that the accurate and timely sharing of firearms registration information between counties is critical to ensure the safety of the community. Although each county currently maintains its own firearms registration information, there is no active mechanism to share this data. The development and implementation of a system to facilitate firearms registration data would enable law enforcement agencies to access critical information more quickly when they are checking on individuals involved in an incident to which they are responding.

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. 2954, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2954, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2311 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2956

The purpose and intent of this measure is to require firearm owners who have been disqualified from owning a firearm due to mental illness to immediately surrender their firearms and to authorize the chief of police to seize the firearms if the owner fails to comply.

Your Committee received testimony in support of this measure from the Honolulu Police Department and four individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney for the County of Maui, Hawaii Rifle Association, National Rifle Association, and twenty-one individuals.

Your Committee finds that currently, county police officers are prohibited, even in the most volatile situations, from seizing a firearm from an owner who is suffering from mental illness and is disqualified from ownership, possession, or control of firearms or ammunition. Before a firearm can be seized from such an owner, the owner must be notified of the requirement to surrender the firearm via registered mail, at which point the owner has thirty days to voluntarily surrender or transfer the firearm. Your Committee finds that the potential for harm to the owner or to the public during that window of time presents an unnecessary risk. This measure will allow police officers to seize firearms immediately upon notification by the owner's treating physician or upon an emergency mental health hospitalization. This measure will not change the required standard for seizure of a firearm.

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. 2956 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2312 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2960

The purpose and intent of this measure is to allow county police departments to enroll firearms applicants who were granted a permit to be included in the federal rap back program, which will provide a mechanism to alert the county police department when the owner of a firearm is arrested for a criminal offense anywhere in the country.

Your Committee received testimony in support of this measure from the Honolulu Police Department. Your Committee received testimony in opposition to this measure from the Hawaii Rifle Association, National Rifle Association, and four individuals.

Your Committee finds that criminal history record checks for applicants to acquire firearms are critical to ensure the safety of the community. Under existing law, a thorough background check is conducted on all applicants to acquire a firearm. Once a permit has been issued, no further checks are conducted on the firearm owner. As a result, county police departments have no way to know if a current Hawaii firearm owner has been convicted of a crime in another state that would prohibit that person from owning a firearm.

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. 2960 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2313 (Majority) Education on S.B. No. 2599

The purpose and intent of this measure is to raise the general excise tax rate by one percent and deposit all additional revenue collected from the increase into a special account for Department of Education operations, including salaries and maintenance costs.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and one individual. Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii, Meadow Gold Dairies, Times Supermarkets, Hawaii Food Industry Association, Hawai'i Association of REALTORS, Hawaii Crop Improvement Association, National Federation of Independent Business, and Hawaii Restaurant Association. Your Committee received comments on this measure from the Department of Taxation, Grassroot Institute of Hawaii, Tax Foundation of Hawaii, and Hawaii Appleseed Center for Law and Economic Justice.

Your Committee finds that Hawaii's public schools are critically underfunded. Many schools in the State require extensive upgrades or renovations, including the installation of air conditioning and other heat abatement measures. Teacher compensation and per-pupil spending are far below the national average. Expansions of prekindergarten, fine arts and humanities, and vocational education programs are required to better serve public school students. An increase in the general excise tax will provide the additional revenues necessary to meet these goals. Your Committee also notes that the general excise tax is inextricably linked to the use tax, and that it is necessary to increase them together.

Your Committee has amended this measure by:

- (1) Including the following amendments suggested by the Department of Taxation:
 - (A) Amending section 237-16.5(f), Hawaii Revised Statutes, to correct an omitted increase;
 - (B) Increasing the use tax to correspond with the increase in the general excise tax; and
 - (C) Adding language to clarify the distribution of increased tax revenue; 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. 2599, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2599, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Dela Cruz). Noes, 1 (Riviere). Excused, 2 (Harimoto, Slom).

SCRep. 2314 Education on S.B. No. 2591

The purpose and intent of this measure is to:

- (1) Require principals to consult with teachers and school community councils when expending funds provided to their schools;
- (2) Require the weighted student formula to include a superintendent's reserve to address needs at unique and remote schools; and
- (3) Grant the Department of Education discretion in allocating reserve funds to specific schools; provided that the Committee on Weights recommends the amount of the reserve and the criteria for its use.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and two individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that Hawaii has experimented with a weighted student formula for over ten years. The purpose of the formula is to make public education more equitable, transparent, and decentralized. Since its inception, the weighted student formula has had the unintended consequence of limiting programming for students in some small or rural schools. Your Committee further finds that a superintendent's reserve in the weighted student formula will give the Committee and principals greater flexibility in addressing the needs of students throughout the State. However, your Committee notes that the term "unique and remote schools" as used in this measure is unnecessary if the intent is to allow the Committee on Weights to determine the criteria for the reserve's use. Your Committee further notes testimony by the Department of Education pointing out that teachers are already included in school community councils, and that language specifying that principals shall expend monies "in consultation with teachers and school community councils" is redundant.

Your Committee has amended this measure by:

- (1) Removing language referencing unique and remote schools; 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 Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2591, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2591, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2315 (Joint/Majority) Education and Commerce, Consumer Protection, and Health on S.B. No. 2615

The purpose and intent of this measure is to protect the physical and psychological well-being of minors, including lesbian, gay, bisexual, and transgender youth, against exposure to serious harms caused by sexual orientation change efforts.

Your Committees received testimony in support of this measure from the Department of Health, Hawaii State Teachers Association, IMUAlliance, Hawai'i Psychological Association, National Association of Social Workers, Rainbow Family 808, Honolulu Council of MoveOn.org, Pacific Alliance to Stop Slavery, LGBT Caucus of the Democratic Party of Hawai'i, and twenty-five individuals. Your Committees received testimony in opposition to this measure from Hawaii Family Advocates, Hawaii Family Forum, Christian Counseling and Research Centers of America, Hawaii Catholic Conference, and four individuals. Your Committees received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committees find that most professional associations of mental health practitioners and researchers in the United States recognize that being lesbian, gay, bisexual, or transgender is not a disease, disorder, illness, deficiency, or shortcoming. According to the American Psychological Association, there is not sufficient evidence to demonstrate that sexual orientation change efforts have any efficacy. Instead, the American Psychological Association found that sexual orientation change efforts are more often harmful, especially when they are directed toward children or adolescents. Such therapies confuse children and adolescents with inaccurate scientific information regarding sexual orientation, and frequently employ fear-based techniques. Participants often report severe and prolonged psychological and social disturbances as a result of sexual orientation change efforts. These practices are contrary to current clinical and professional standards.

Your Committees have amended this measure by:

- (1) Removing language specifically prohibiting teachers from engaging in or advertising sexual orientation change efforts and subjecting such teachers to appropriate disciplinary action; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2615, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2615, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4; Ayes with Reservations (Riviere). Noes, 1 (Slom). Excused, 1 (Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, 1 (Slom). Excused, 2 (Nishihara, Ruderman).

SCRep. 2316 (Joint) Housing and Human Services on S.B. No. 2733

The purpose and intent of this measure is to appropriate funds to the Department of Human Services to support the housing first programs and shallow rent subsidy program.

Your Committees received testimony in support of this measure from the Department of Human Services, Americans for Democratic Action Hawaii, Catholic Charities Hawai'i, The CHOW Project, Hawaii Appleseed Center for Law and Economic Justice, Helping Hands Hawai'i, and two individuals. Your Committees received comments on this measure from the Coordinator on Homelessness under the Office of the Governor.

Your Committees find that Hawaii has the highest per capita rate of homelessness of any state in the nation, as an estimated 7,620 people are living on the streets and in shelters in Hawaii. Addressing homelessness requires a multi-faceted approach using interventions targeted to the particular characteristics of the population being served.

Your Committees further find that two programs critically necessary to address homelessness in Hawaii are the housing first and shallow rent subsidy programs. Housing first programs are proven to be effective in addressing homelessness for chronically homeless individuals, including those who have an addiction or mental illness, or both, while shallow rent subsidy programs are proven to be effective in securing and maintaining housing for working individuals and families who are homeless.

Your Committees have amended this measure by:

- (1) Clarifying that the maximum rent supplement under the shallow rent subsidy program shall be \$500 per month per household; 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 Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2733, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2733, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2317 (Joint) Housing and Water, Land, and Agriculture on S.B. No. 2876

The purpose and intent of this measure is to exempt lands to which the Hawaii Public Housing Authority holds title from the definition of "public lands" in section 171-2, Hawaii Revised Statutes.

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 authorized to acquire, own, and hold real property; therefore, its titled lands do not fall under the catchall jurisdiction of state “public lands” under the Department of Land and Natural Resources’ jurisdiction. The Hawaii Housing Finance and Development Corporation lands have been exempted from the definition of “public lands” under section 171-2, Hawaii Revised Statutes. Accordingly, the Hawaii Public Housing Authority lands should also be exempted from “public lands” as this exemption will clarify the ability of the Authority to take certain actions on its lands.

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 Housing and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2876, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2876, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 4. Noes, none. Excused, 3 (Green, Taniguchi, Slom).

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

SCRep. 2318 (Joint) Housing and Economic Development, Environment, and Technology on S.B. No. 3076

The purpose and intent of this measure is to:

- (1) Designate the Office of Planning as the lead agency to coordinate and advance transit-oriented development planning in the State; and
- (2) Require that the Office of Planning approve all state agencies’ development plans for parcels along the rail transit corridor, including any properties that the State may obtain in the future.

Your Committees received testimony in support of this measure from the Office of Planning, Chamber of Commerce Hawaii, and Building Industry Association of Hawaii.

Your Committees find that with Honolulu’s construction of an elevated rail transit system, the State has an opportunity to enhance Oahu’s urban environment and increase the quality of life for residents by utilizing sound smart growth and transit-oriented development principles to revitalize neighborhoods and increase affordable housing inventory, among other public benefits. As the largest landowner of properties along the transit line, with approximately two thousand acres under the jurisdiction of various departments, the State must be proactive and place a priority on planning with a statewide policy perspective, rather than a departmental mission perspective, to maximize the benefits of state lands available for redevelopment.

Your Committees have amended this measure by:

- (1) Clarifying that the Office of Planning is intended to coordinate and advance smart growth and transit-oriented development planning within the State;
- (2) Clarifying that a responsibility of the Office of Planning is to act as the lead agency to coordinate and advance smart growth and transit-oriented development planning within the State;
- (3) Expanding the responsibility of the Office of Planning in transit-oriented development to include targeting transit-oriented development areas for significant increase in affordable housing and rental units;
- (4) Inserting an appropriation for an unspecified amount for one full-time equivalent (1.0 FTE) branch chief position within the Office of Planning; 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 Housing and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3076, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3076, S.D. 1, and be referred to your Committees on Transportation and Energy and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Keith-Agaran, Ruderman, Slom).

SCRep. 2319 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on S.B. No. 2857

The purpose and intent of this measure is to clarify the law on towing of unattended vehicles on private and public property.

Your Committees received testimony in support of this measure from the Office of Consumer Protection and City and County of Honolulu Police Department. Your Committees received testimony in opposition to this measure from Ace Towing Service, Kuni’s Enterprises, Waialae Towing, and Solid Towing LLC. Your Committees received comments on this measure from one individual.

Your Committees find that existing 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.

Your Committees have amended this measure by:

- (1) Inserting an effective date of June 22, 2022, to encourage further discussion; and

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

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2857, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2857, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 6. Noes, none. Excused, 1 (Gabbard).

Commerce, Consumer Protection, and Health: Ayes, 6; Ayes with Reservations (Espero, Kidani, Slom). Noes, none. Excused, 1 (Ruderman).

SCRep. 2320 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on S.B. No. 2950

The purpose and intent of this measure is to temporarily authorize the use of the public benefits fee revenues for the installation and upgrade of electric power infrastructure to facilitate the use of electric vehicles by increasing the number of available electric vehicle charging stations, including home- and work-based charging stations.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development and Tourism; Hawaiian Electric Company; and Blue Planet Foundation. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs.

Your Committees find that increasing the number of electric vehicles in Hawaii will help the State reach its clean energy initiatives and renewable energy portfolio standards goal of one hundred percent renewable by 2045. Your Committees further find that the lack of electric vehicle charging stations in the State constitutes a significant barrier to the public's use of electric vehicles. Your Committees believe that increasing the number of electric vehicle charging stations in the State, including home- and work-based charging stations, will encourage more consumers to purchase electric vehicles.

Your Committees have amended this measure by:

- (1) Clarifying that in no case may the public benefits fee administrator fund one hundred percent of any project;
- (2) Requiring that the Department of Business, Economic Development, and Tourism to establish a fee for use of electric power stations to partially offset the costs of installation; 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 Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2950, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2950, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 6. Noes, none. Excused, 1 (Gabbard).

Commerce, Consumer Protection, and Health: Ayes, 6; Ayes with Reservations (Kidani, Slom). Noes, none. Excused, 1 (Ruderman).

SCRep. 2321 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on S.B. No. 2820

The purpose and intent of this measure is to amend the definition of renewable portfolio standard to more accurately reflect the percentage of renewable energy penetration in the State.

Your Committees received testimony in support of this measure from the Department of Transportation, Department of Business, Economic Development and Tourism; Distributed Energy Resources; Blue Planet Foundation; and Hawaii Solar Energy Association. Your Committees received comments on this measure from the Public Utilities Commission and Hawaiian Electric Company.

Your Committees find that to fully meet the objectives of Act 97, Session Laws of Hawaii (SLH) 2015, establishing the one hundred percent renewable portfolio standard (RPS) by 2045, and Act 38, SLH 2015, aspiring for greater energy security and self-sufficiency through the reduction and ultimate elimination of Hawaii's dependence on imported fuels for electrical generation, an accurate method for calculating RPS must be used to accurately represent the percentage of renewable energy penetration in Hawaii.

Your Committees have amended this measure upon the recommendation of the Hawaii State Energy Office by:

- (1) Amending the purpose section to more accurately reflect the purpose and intent of this measure;
- (2) Adding a definition of "grid-connected" to chapter 269, Hawaii Revised Statutes;
- (3) Amending the definition of "renewable portfolio standard" by amending the renewable portfolio standard calculation and properly account for customer-sided, grid-connected resources, and making conforming amendments to section 269-92, Hawaii Revised Statutes; and
- (4) Requiring that all electric grid-connected energy systems be one hundred percent renewable energy systems by December 31, 2045.

Your Committees have also made technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2820, as

amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2820, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 6. Noes, none. Excused, 1 (Gabbard).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2322 (Joint) Public Safety, Intergovernmental, and Military Affairs and Water, Land, and Agriculture on S.B. No. 2583

The purpose and intent of this measure is to mandate the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal water systems.

Your Committees received testimony in support of this measure from Hawaii Farmers Union United.

Your Committees find that Act 187, Session Laws of Hawaii 2015, authorizes, but does not require, the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems. In certain areas of Hawaii, geological features or the limits of existing infrastructure have made the use of conventional flush and septic systems impracticable. The costs associated with installing septic systems is a particular burden on farms and other new rural developments. Homeless individuals living in encampments also frequently suffer from a lack of adequate toilet facilities. Composting toilets use no water and produce compost that can be used to enrich the soil. Your Committees find that such toilets are an effective way to provide toilet facilities to underserved or remote populations.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2583 and recommend that it pass Second Reading and be referred to your 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 (Baker, Inouye).

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Shimabukuro).

SCRep. 2323 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2250

The purpose and intent of this measure is to:

- (1) Allow counties to make short term investments with similar authority as the state Director of Finance; and
- (2) Require counties' investments in bonds of any improvement district to be of investment grade or supported by the general obligation pledge of the county in which the improvement district is located.

Your Committee received testimony in support of this measure from the Maui County Department of Finance, Maui County Council, Hawaii County Treasurer, and Hawaii County Council.

Your Committee finds that this measure will give the counties the same capabilities to make investments as the State, which will allow the counties to more effectively manage investment opportunities while also providing safeguards on the counties' investment decisions.

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. 2250 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2324 (Joint/Majority) Judiciary and Labor and Higher Education and the Arts on S.B. No. 2398

The purpose and intent of this measure is to establish a collective bargaining unit for graduate student assistants employed by the University of Hawaii.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association, Hawaii State AFL-CIO, University of Hawai'i at Mānoa Graduate Student Organization, University of Hawaii Professional Assembly, and thirteen individuals. Your Committees received testimony in opposition to this measure from the Department of Budget and Finance, Office of Collective Bargaining under the Office of the Governor, and University of Hawai'i System.

Your Committees find that graduate student assistants employed by the University of Hawaii encounter numerous work-related issues including but not limited to budget reductions and increases in class size and workload. However, under existing law, graduate student assistants are not authorized to collectively bargain.

Your Committees note that in the meantime, the University of Hawai'i System and University of Hawai'i at Mānoa Graduate Student Organization (GSO) have recently been in discussion regarding GSO's work-related concerns, and revised policies are currently under review. Implementation of this measure will further higher education in the State and provide graduate student assistants employed at the University of Hawaii with a unified voice to discuss working conditions, wages, and benefits.

Your Committees have amended this measure by 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 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. 2398, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2398, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, 1 (Slom). Excused, 1 (Thielen).

Higher Education and the Arts: Ayes, 3; Ayes with Reservations (Kidani). Noes, 1 (Slom). Excused, none.

SCRep. 2325 Commerce, Consumer Protection, and Health on S.B. No. 2383

The purpose and intent of this measure is to repeal the Hawaii Health Connector and associated references in the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and Chamber of Commerce Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that Hawaii's health insurance exchange, the Hawaii Health Connector (Connector), was established in 2011 and charged with implementing applicable parts of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act). However, due to Hawaii's small population, the highly successful Prepaid Health Care Act of 1974, and expanded Medicaid coverage that resulted in lower numbers of uninsured residents in the State, and despite substantial federal investment in technology and assistance, the efforts of the board of directors and the staff of the Connector, work contributed by public sector employees, and the support of the Legislature, the Connector was unable to meet the financial sustainability requirements imposed by the federal government.

Your Committee further finds that the Connector ceased operations on December 4, 2015. The State has since enlisted the assistance of six state departments to comply with federal requirements and ensure a smooth transition for enrollees from the Connector to a state-based marketplace that utilizes the federal platform. Accordingly, this measure repeals the Connector as part of the transition to a federally supported, state-based exchange.

Your Committee additionally finds that the State has been working with the federal government to provide a new framework for marketplace enrollment that will comply with federal requirements. However, although the Department of Labor and Industrial Relations has requested transfer of federal grant monies to the Department, the Department has been informed that the State will be unable to receive the federal grant until a new state exchange is named. Your Committee notes that another measure, Senate Bill No. 2894, S.D. 1 (Regular Session of 2016), which previously passed out of your Committees on Commerce, Consumer Protection, and Health and Human Services, establishes this successor program, known as the Hawaii health insurance programs, within the Department of Labor and Industrial Relations.

Finally, your Committee notes that this measure and Senate Bill No. 2894, S.D. 1, will help ensure compliance with the exchange requirements of the Affordable Care Act and better assist Hawaii during the transition away from the Connector to a state-based marketplace that utilizes the federal platform.

Your Committee has amended this measure by:

- (1) Updating a reference to network adequacy requirements as applied to the Affordable Care Act, to ensure that Hawaii retains its ability to determine network adequacy for Affordable Care Act plans;
- (2) Moving specific language from the repealed chapter 435H, Hawaii Revised Statutes, which specified that any debts and liabilities pertaining to the Connector that were incurred prior to the Connector's repeal shall not constitute a debt or liability of the State, into session 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2383, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2383, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 2326 Commerce, Consumer Protection, and Health on S.B. No. 2320

The purpose and intent of this measure is to:

- (1) Authorize pharmacists to prescribe and dispense contraceptive supplies to persons eighteen years of age or older;
- (2) Specify requirements pharmacists must meet prior to prescribing and dispensing contraceptive supplies; and
- (3) Require all insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes, and Medicaid managed care programs, to reimburse pharmacists who prescribe and dispense contraceptive supplies.

Your Committee received testimony in support of this measure from the Department of Health; Hawaii State Coalition Against Domestic Violence; Planned Parenthood Votes Northwest and Hawaii; American Congress of Obstetricians and Gynecologists – Hawaii Section; LGBT Caucus of the Democratic Party of Hawai'i; Hawai'i Public Health Association; Hawaii Medical Association; CVS Health; Healthy Mothers, Healthy Babies; and three individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs; Department of Human Services; Board of Pharmacy; Daniel K. Inouye College of Pharmacy, University of Hawai'i at Hilo; and Hawaii Medical Service Association.

Your Committee finds that many reproductive health experts have long sought to make prescription contraceptives more readily accessible. Research indicates women are more likely to use prescription contraceptives and less likely to have unintended pregnancies when barriers are lifted to contraceptive access. According to the American Congress of Obstetricians and Gynecologists,

studies have also indicated that women can accurately identify conditions that make it appropriate to use certain contraceptives by using a simple checklist.

Your Committee further finds that under the federal Patient Protection and Affordable Care Act of 2010, contraceptives are required to be covered at a \$0 copayment, thus removing financial barriers for patients and ensuring that patients have better opportunities to receive contraceptive care. This measure supports the movement toward expanded access to prescription contraceptives by authorizing pharmacists to prescribe and dispense contraceptive supplies to persons eighteen years of age and older.

Your Committee has heard the concerns that this measure authorizes pharmacists to prescribe and dispense all contraceptive supplies, including oral and injectable forms of contraception, which may be overly broad. Your Committee has also heard the concerns regarding the scope of practice of pharmacists and the Board of Pharmacy's ability to develop and implement a continuing education program for pharmacists who prescribe and dispense contraceptive supplies. Your Committee understands these concerns. Accordingly, your Committee notes that interested stakeholders have been in discussions regarding certain aspects of this measure and have reached an agreement on consensus language. Amendments to this measure are therefore necessary to incorporate consensus language from interested stakeholders.

Your Committee has amended this measure by:

- (1) Clarifying that pharmacists who prescribe contraceptive supplies must complete an Accreditation Council for Pharmacy Education program approved by the Board of Pharmacy, as this will be less burdensome than requiring the Board to develop its own continuing education program;
- (2) Clarifying that the type of contraceptive supplies pharmacists are authorized to prescribe and dispense are limited to United States Food and Drug Administration-approved self-administered hormonal contraceptives;
- (3) Amending the definition of "practice of pharmacy" to include a separate provision specifically for the prescribing and dispensing of contraceptive supplies to persons eighteen years of age and older, rather than requiring the prescribing and dispensing of contraceptive supplies to be done pursuant to a collaborative written agreement with a licensed physician;
- (4) Clarifying that pharmacists who prescribe and dispense contraceptive supplies must complete an Accreditation Council for Pharmacy Education program approved by the Board of Pharmacy within every other biennial licensing renewal period, rather than requiring the Board to develop a separate continuing education 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2320, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2320, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Ruderman).

SCRep. 2327 (Majority) Commerce, Consumer Protection, and Health on S.B. No. 2319

The purpose and intent of this measure is to require all insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes, and Medicaid managed care programs, to cover a:

- (1) Three-month period for the first dispensing of prescription contraceptive supplies to an insured; and
- (2) Twelve-month period for the subsequent dispensing of the same contraceptive supply to the insured.

Your Committee received testimony in support of this measure from the Department of Health; Hawaii State Commission on the Status of Women; Hawaii State Coalition Against Domestic Violence; American Congress of Obstetricians and Gynecologists – Hawaii Section; American Association of University Women – Hawaii; Hawai'i Public Health Association; Women's Caucus of the Democratic Party of Hawai'i; Planned Parenthood Votes Northwest and Hawaii; Hawaii Medical Association; Hawaii Women's Coalition; Healthy Mothers, Healthy Babies; and six individuals. Your Committee received testimony in opposition to this measure from CVS Health. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Department of Human Services, Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, Chamber of Commerce Hawaii, Hawaii Medical Service Association, League of Women Voters, and one individual.

Your Committee finds that insurance companies typically cover a thirty- or ninety-day supply of prescription contraceptives. However, these coverage requirements may act as a barrier for women, especially those who live in rural areas, frequently travel, are unable to schedule regular visits to health care providers, or are unable to readily pick up their prescriptions. Your Committee further finds that providing a greater number of prescription contraceptive supplies at one time is associated with higher continuation rates, fewer pregnancy tests, fewer unplanned pregnancies, and decreased health care costs per woman.

Your Committee has heard the concerns regarding the required dispensing of an initial three-month supply followed by a twelve-month supply of prescription contraceptives, as proposed by this measure. According to testimony received by your Committee, there is a potential for waste with a mandatory three-month or twelve-month supply of contraceptive supplies, including if a patient experiences side effects or a medication is found to be less effective than previously thought. Your Committee understands these concerns and notes that the American Congress of Obstetricians and Gynecologists and the federal Centers for Disease Control and Prevention recommend prescribing or supplying up to one year of oral contraceptive supplies, based on a woman's preferences and anticipated use.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that would have required insurers to cover a three-month period for the first dispensing of prescription contraceptive supplies to an insured;
- (2) Clarifying that insurers are required to cover up to a twelve-month period of prescriptive contraceptive supplies for an insured; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2319, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2319, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 2328 Higher Education and the Arts on S.B. No. 2040

The purpose and intent of this measure is to clarify that under the Hawaii Post-Secondary Education Authorization Program, when an institution ceases to operate, the student transcripts shall be kept permanently in a form prescribed by the Director of Commerce and Consumer Affairs and that other records requested and obtained by the Department of Commerce and Consumer Affairs may be disposed of at the Director's discretion.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that state statute currently imposes onerous demands on the Department of Commerce and Consumer Affairs by requiring the permanent retention of student transcripts and a ten year retention of other records obtained from an institution that ceases to operate. Your Committee recognizes that when an institution is closing and deposits its records in paper format to the Department, space and funding limitations may prohibit the Department from receiving and retaining all of the documents in the manner currently required by law. Allowing the Department to use its discretion regarding the retention of records, except for transcripts, will allow the Hawaii Post-Secondary Education Authorization Program to carry out its responsibilities more effectively.

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. 2040, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2040, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, none.

SCRep. 2329 (Majority) Higher Education and the Arts on S.B. No. 2473

The purpose and intent of this measure is to appropriate funds for the University of Hawaii at Manoa to establish and operate a dispersion modeling center within the School of Ocean and Earth Science and Technology in order to improve vog forecasts for the State.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawaii Vog Measurement and Prediction Project, University of Hawaii System, Hawaii Institute of Geophysics and Planetology, University of Hawaii Department of Atmospheric Sciences, International Volcanic Health Hazard Network, American Lung Association of Hawaii, and seventeen individuals.

Your Committee finds that vog presents a significant health hazard in Hawaii and has been shown to negatively impact the State's agricultural industry. Vog is primarily caused by the fine particulate matter emitted by Kilauea volcano. Your Committee finds that the only source of information about many of Kilauea volcano's emissions is the vog model operated by the School of Ocean and Earth Science and Technology at the University of Hawaii at Manoa.

Your Committee further finds that the State and National Weather Service rely on the University's vog model for guidance when issuing vog forecasts. Additionally, the Department of Health utilizes information from the University's vog model to alert residents about vog levels and predict air quality conditions to make no-burn decisions. For people who suffer from allergies, emphysema, or asthma, the vog model helps them plan their activities to minimize exposure to the emissions in the air. Your Committee notes that the amount of \$150,000 being requested to support and enhance the University of Hawaii's Vog Measurement and Prediction Project model will be used to continue program operations and oversight so that Hawaii residents, meteorologists, health care providers, emergency management personnel, and the agricultural industry all have access to beneficial and accurate information about vog levels and air quality.

Your Committee has amended this measure by changing the appropriation to an unspecified amount.

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. 2473, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2473, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, none.

SCRep. 2330 Higher Education and the Arts on S.B. No. 2765

The purpose and intent of this measure is to appropriate \$250,000 as a grant to the Honolulu Biennial Foundation to fund an international arts exhibition.

Your Committee received testimony in support of this measure from the Honolulu Biennial Foundation, galerie 103, Summit, Na Mea Hawaii, and twenty-three individuals.

Your Committee finds that the Honolulu Biennial 2017 is an international arts exhibition created to engage the rich cultural diversity of Hawaii and celebrate contemporary visual art from the Pacific, United States, and Asia. Your Committee recognizes that there are very few exhibition opportunities for local artists, and that local artists deserve greater exposure and opportunities to broaden their market reach.

The Honolulu Biennial is modeled after biennial arts festivals held around the world that have profound artistic, cultural, community-building, and economic impacts on the cities that host the festivals. Such festivals have transformed host cities into thriving art hubs and attracted an influx of cultural tourists. Strengthening the potential economic impact that the \$250,000 grant in this measure can have, it was demonstrated to your Committee through testimony that the Honolulu Biennial that launches in 2017 is projected to welcome 42,500 visitors to the State and have an economic impact of over \$49,700,000 on the local economy.

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. 2765 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, none.

SCRep. 2331 Higher Education and the Arts on S.B. No. 2766

The purpose and intent of this measure is to appropriate funds for the Hawaii State Foundation on Culture and the Arts to establish an arts in the military program.

Your Committee received testimony in support of this measure from the State Office of Veterans Services, Hawai'i State Foundation on Culture and the Arts, Chamber of Commerce Hawaii, Soundtable Entertainment Inc., Hawai'i Arts Alliance, and one individual.

Your Committee finds that Hawaii's military community has a diverse range of experience and interests, including the arts. Your Committee further finds that it is important to provide greater access to the arts for active duty military members, veterans, and their families. The arts have proven to be an effective tool for bolstering the resilience of this population as well as accelerating the ability of military personnel to heal and carry out their commitment to this country. Your Committee finds that it is important to support programs in the arts, culture, and the humanities so that all branches of the military have access to such programs.

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. 2766 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, none.

SCRep. 2332 Higher Education and the Arts on S.B. No. 2939

The purpose and intent of this measure is to authorize the University of Hawaii to continue to maintain a separate accounting and financial management system that is compatible with the State accounting and financial management system.

Your Committee received testimony in support of this measure from the University of Hawaii System and Department of Accounting and General Services.

Your Committee finds that the University of Hawaii has maintained a separate accounting system since 1986 that has been compatible with State accounting system requirements and generally accepted accounting principles. Your Committee further finds that the University recently upgraded its accounting system and is now using a university-based financial management software that was developed and is supported by a consortium of universities throughout the country. The current financial system serves the unique needs of the University's reporting, regulatory, and accreditation requirements and allows for compatibility with external partners such as the Department of Accounting and General Services. Your Committee finds that if the University's authority to implement its own accounting system is allowed to sunset, the University will have to return to an older financial management system that is designed for more traditional state government entities rather than university systems. The language in this measure would prevent that process from taking place.

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. 2939 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, none.

SCRep. 2333 (Majority) Higher Education and the Arts on S.B. No. 2971

The purpose and intent of this measure is to repeal the requirement that the University of Hawaii prepare an annual report on the development of the Construction Academy program.

Your Committee received testimony in support of this measure from the University of Hawai'i Community Colleges.

Your Committee finds that the Construction Academy began in 2004 with a grant from the United States Department of Labor that funded a pilot program between the University of Hawaii Community Colleges and certain Oahu high schools. The pilot program provided students with the skills needed to pursue careers in the construction industry. In 2006, the Legislature appropriated funds to institutionalize and expand the program to high schools throughout the State. Your Committee finds that the Construction Academy program has established itself as an integral part of the pathway for construction-related education 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. 2971 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2334 Higher Education and the Arts on S.B. No. 3073

The purpose and intent of this measure is to establish a school of aviation at the University of Hawaii at Hilo to offer a bachelor of science degree in aeronautical science and to appropriate the funds necessary for implementation of the degree program.

Your Committee received testimony in support of this measure from the University of Hawaii at Hilo, Department of Transportation, and one individual. Your Committee received testimony in opposition to this measure from four individuals. Your Committee received comments on this measure from two individuals.

Your Committee finds that strong support exists throughout the State for Hawaii to establish an aviation program to provide Hawaii's youth with the opportunity to pursue professional aviation careers within the State. Aviation is essential to this island state and its economy, and creating a local aviation program will strengthen the State's aviation capabilities and attract students from throughout the country and the Pacific region. A collegiate flight program will also help address a severe pilot shortage that is pending nationwide and provide Hawaii with a reputation in the aviation field.

Your Committee notes that the introducer of this measure, the late Senator Gilbert Kahele, was a strong supporter of creating an aviation school at the University of Hawaii at Hilo and had devoted time and effort to the initiative over the final few years of his life. Your Committee heard testimony, however, expressing concerns about the location of the school of aviation and which island would be the most appropriate to house the program.

Multiple testifiers indicated that the most successful and economical aviation program would be a four-year bachelor's degree program at the University of Hawaii's West Oahu campus for the following reasons: the weather on Oahu is more conducive to flight training than the weather in Hilo; Hilo airport lacks the infrastructure for an aviation program whereas the University of Hawaii already has a hangar at Kalaeloa airport on Oahu with classrooms and facilities that the University only pays one dollar per year to lease. In addition, the majority of flight school students are financially-constrained and a program in Hilo would create the extra cost of room and board for many students. It may also be more challenging for students to find jobs in Hilo to support themselves while enrolled in school. Your Committee also received testimony that the Honolulu Community College flight program that was recently terminated had many interested students but the program could not succeed financially as a two-year program and did not produce employable pilots because modern day airlines require a four-year college degree.

Your Committee has considered all of the testimony as well as the history of this measure and wishes of the late Senator Kahele. Your Committee recommends that the University of Hawaii establish a school of aviation in Hilo but consider moving the program to the University's West Oahu campus in the future where the program could operate more cost effectively for the State and for enrolled students.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount; 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 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. 3073, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3073, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Gabbard, Slom). Noes, none. Excused, none.

SCRep. 2335 (Joint) Education and Commerce, Consumer Protection, and Health on S.B. No. 2782

The purpose and intent of this measure is to:

- (1) Establish the Educational Assistant Certification Incentive Program to enable educational assistants who have been working in hard-to-fill schools to attain teacher certification and then commit to return to those schools for a certain period of time; and
- (2) Appropriate funds for alternate teacher route contracts for teachers whose degrees are not in the field of education.

Your Committees received testimony in support of this measure from the Department of Education, State Public Charter School Commission, University of Hawai'i System, University of Hawai'i College of Education, Hawai'i Teacher Standards Board, Hawaii State Teachers Association, and two individuals.

Your Committees find that the Department of Education has struggled to place teachers in schools having high turnover rates or determined as hard-to-fill. One potential option is to help current educational assistants achieve the necessary certification to be classified as teachers. The cost of enrollment in certification programs is a substantial obstacle for educational assistants seeking teacher licensure. This measure will provide educational assistants with greater opportunities to become licensed.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2782 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 1 (Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2336 (Joint) Education and Judiciary and Labor on S.B. No. 2611

The purpose and intent of this measure is to appropriate funds to provide training and track data on public school pupil punishment and use of restraints restrictions.

Your Committees received testimony in support of this measure from the Department of Education; Special Education Advisory Council; and Ho‘omana Pono, LLC.

Your Committees find that it is in the public interest for school personnel to be well trained in the proper use of physical restraints as well as non-violent crisis intervention. Effective data collection and oversight is also critical to detecting and eliminating instances of improper punishments used against students.

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. 2611 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

Judiciary and Labor: Ayes, 6. Noes, none. Excused, none.

SCRep. 2337 (Joint) Education and Judiciary and Labor on S.B. No. 2781

The purpose and intent of this measure is to:

- (1) Clarify that funds for bonuses required by statute or collective bargaining shall not be paid out of a charter school’s facilities funding or out of per-pupil funds; and
- (2) Appropriate funds for teacher bonuses for hard-to-fill placement incentives and National Board certified teacher incentives for charter school teachers.

Your Committees received testimony in support of this measure from the Hawaii State Public Charter School Commission; Hawaii Public Charter Schools Network; Office of Hawaiian Affairs; Kualapu‘u Public Conversion Charter School; Ho‘okako‘o Corporation; KanuOKa‘Aina Public Charter School; Ho‘omana Pono, LLC; and nine individuals. Your Committees received testimony in opposition to this measure from the Department of Budget and Finance.

Your Committees find that public charter schools are important education providers for Hawaii’s students. Administrators, staff, and teachers each have vital roles to play in creating an environment of educational excellence. Teachers at public charter schools who have earned National Board certification or who have committed to work at hard-to-fill schools are entitled to receive incentive bonuses. Unlike Department of Education schools, charter schools do not currently receive funding for these bonuses.

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. 2781 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

Judiciary and Labor: Ayes, 6. Noes, none. Excused, none.

SCRep. 2338 (Joint) Education and Judiciary and Labor on S.B. No. 3104

The purpose and intent of this measure is to:

- (1) Simplify the process for an entity to become an authorizer of charter schools;
- (2) Establish a shortened timeline for the release of charter school funds; and
- (3) Authorize charter schools to retain attorneys for certain proceedings relating to their charters.

Your Committees received testimony in support of this measure from Hakipu‘u; Kanu O Ka Aina Learning Ohana New Century Public Charter School; Kualapu‘u Public Conversion Charter School; Ho‘omana Pono, LLC; Hawaii Academy of Arts and Science Public Charter School; Kua o ka La Public Charter School; and eight individuals. Your Committees received testimony in opposition to this measure from the Hawaii State Public Charter School Commission, National Association of Charter School Authorizers, and Center of Hawaiian Sovereignty Studies. Your Committees received comments on this measure from the Department of the Attorney General and Hawaii Public Charter Schools Network.

Your Committees find that the Charter School Governance, Accountability, and Authority Task Force established by Act 130, Session Laws of Hawaii 2011, made a recommendation that the State allow for multiple entities, known as “authorizers”, to approve or deny organizations seeking to become a charter school and existing charter schools seeking to continue operating. Hawaii currently has only one authorizer. Simplification in the process of becoming an authorizer will lead to greater diversity in authorizers. However, your Committees also find that certain sections of the measure relating to charter schools hiring attorneys conflicts with the legal

obligations of the Department of the Attorney General. Your Committees further find that this measure requires additional discussion and consideration.

Your Committees have amended this measure by:

- (1) Removing parts III and IV of the measure relating to distribution of funds and hiring of attorneys;
- (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 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. 3104, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3104, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

Judiciary and Labor: Ayes, 6. Noes, none. Excused, none.

SCRep. 2339 Commerce, Consumer Protection, and Health on S.B. No. 2397

The purpose and intent of this measure is to require hospitals to adopt and maintain discharge policies, consistent with recent updates to federal regulations, to ensure that patients continue to receive necessary care after leaving the hospital.

Your Committee received testimony in support of this measure from the Department of Health, Hawaii Health Systems Corporation, State Council on Developmental Disabilities, Maui County Office on Aging, Healthcare Association of Hawaii, Hawai'i Pacific Health, The Queen's Health Systems, AARP Hawaii, Hawaii Family Caregiver Coalition, Faith Action for Community Equity Hawaii, and sixteen individuals. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Policy Advisory Board for Elder Affairs; Hawaii Government Employees Association; Faith Action for Community Equity, Oahu Chapter; Hawaii Pacific Gerontological Society; Concerned American Veterans; ILWU, Local 142; and twenty-three individuals.

Your Committee finds that Hawaii's population of older adults continues to increase. In 2012, Hawaii had the highest percentage of residents over the age of eighty-five in the United States, and this population is projected to grow to sixty-five percent over the next twenty years. These individuals are the most likely to need long-term supports and services and will likely rely on family and friends as their caregivers due to financial and resource constraints.

Your Committee further finds that while strong home- and community-based resources, such as respite, non-medical transportation services, and home-delivered meals, are important to help caregivers and their loved ones, medical supports are also important. Coordination among primary care providers along with preventive care will enable many seniors and other individuals with chronic or debilitating conditions to stay in their homes longer. However, in the event of an acute episode, hospitals must provide assistance to patients and their caregivers in order to prepare them for discharge and help them transition back to their home.

Your Committee has amended this measure by:

- (1) Amending findings to emphasize Hawaii's increase of older adults in the population, the importance of hospitals assisting patients and their caregivers with transitioning back to a home setting, and the responsibilities that hospitals have related to discharge planning and transitions of care;
- (2) Amending the definition of "patient" to mean an individual admitted to a hospital for inpatient treatment;
- (3) Deleting language that would have required discharge policies to incorporate established, evidence-based practices; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2397, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2397, S.D. 1, and be referred to your Committees on Judiciary and Labor and Human Services.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 2340 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on S.B. No. 2801

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 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 Land and Natural Resources, Department of Agriculture, Hawaii Invasive Species Council, The Nature Conservancy, and one individual. Your Committees received testimony in opposition to this measure from the Hawaii Floriculture and Nursery Association.

Your Committees find that biosecurity is an overarching issue that requires cooperation and collaboration by numerous parties, including but not limited to 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. Your Committees further find that the Department of Agriculture has multiple duties and activities that address the issue of biosecurity and that initiatives to improve Hawaii biosecurity go beyond the confines of any one branch within the Department; therefore, this measure is a common sense way to improve the effectiveness and efficiency of the biosecurity program.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2801 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Shimabukuro, Thielen).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Ihara, Keith-Agaran, Ruderman, Thielen).

SCRep. 2341 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on S.B. No. 2639

The purpose and intent of this measure is to require a ninety day extension of the deadline for the Department of Land and Natural Resources' decision on a conservation district use application beyond the time necessary to complete an environmental impact statement or contested case hearing.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Chamber of Commerce Hawaii, and three individuals.

Your Committees find that this measure ensures that adequate time will be automatically granted if a contested case hearing or environmental impact statement is required, in order to avoid an automatic default approval of a conservation district use application.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2639 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Shimabukuro, Thielen).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Ihara, Keith-Agaran, Ruderman, Thielen).

SCRep. 2342 (Joint) Water, Land, and Agriculture and Housing on S.B. No. 2350

The purpose and intent of this measure is to prevent the loss of large-scale agricultural parcels and to ensure that future uses of agricultural lands are for bona fide agricultural operations.

Your Committees received testimony in support of this measure from the Department of Agriculture; Kailua Neighborhood Board; Save Oahu's Neighborhoods; Carbon Drawdown Solutions, Inc.; Malama O Puna; and thirteen individuals. Your Committees received testimony in opposition to this measure from the Hawaii Cattlemen's Council, Land Use Research Foundation of Hawaii, and two individuals. Your Committees received comments on this measure from the Office of Planning.

Your Committees find that gentleman farms are a major concern in the State. Thorough and stringent measures such as this measure are needed to protect agricultural lands from subdivision, prevent the fractionalization of agricultural parcels, and promote the conservation of large agricultural tracts.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2350 and recommend that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

Housing: Ayes, 4. Noes, none. Excused, 3 (Green, Taniguchi, Slom).

SCRep. 2343 (Joint) Water, Land, and Agriculture and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2129

The purpose and intent of this measure is to appropriate funds to the Department of Agriculture to provide assistance and funding to the National Wildlife Research Center of the United States Department of Agriculture to:

- (1) Complete the research assessment of the negative impacts of the rose-ringed parakeet on the island of Kauai initiated by the Center in 2011; and
- (2) Develop and implement an effective control plan to reduce the negative impacts of the rose-ringed parakeet on the island of Kauai.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources and Hawai'i Farm Bureau. Your Committees received testimony in opposition to this measure from two individuals.

Your Committees find that the rose-ringed parakeet, *Psittacula krameri*, native to Africa and India, is considered to be one of the most significant agricultural pests of important food crops. The National Wildlife Research Center of the United States Department of Agriculture estimated there were more than two thousand rose-ringed parakeets on Kauai as of 2011 and concluded that these birds are probably dispersing invasive plant species, including lilikoi and strawberry and yellow guava; possibly destroying native seeds, including koa; and potentially competing with native birds for fruits, seeds, and nesting sites. Additionally, the parakeets are damaging and reducing the yield of many crops, including lychee, longan, and rambutan. Your Committees find that there is a strong need for a more cost-effective means to control the damage created by rose-ringed parakeets on Kauai that will benefit economically important crops, reduce the potential for damage to natural resources, and avoid any negative effects on the health and safety of Kauai residents and visitors.

As affirmed by the records of votes of the members of your Committees on Water, Land, and 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 S.B. No. 2129 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Shimabukuro).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 2344 (Joint) Water, Land, and Agriculture and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2353

The purpose and intent of this measure is 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, Office of Planning, University of Hawai'i System, Conservation Council for Hawai'i, and four individuals. Your Committees received comments on this measure from the Building Industry Association of Hawaii and Chamber of Commerce Hawaii.

Your Committees find that sea level rise must be considered as the State looks to future coastal development. Your Committees appreciate the Office of Planning's recommendations on how to improve this measure to make it more balanced in its approach to coastal zone management (CZM).

Your Committees have therefore amended this measure by:

- (1) Inserting a definition for the term "coastal hazards", which includes tsunami, hurricanes, wind, storm waves, flooding, erosion, sea level rise, subsidence, and point and nonpoint source pollution, into section 205A-2, Hawaii Revised Statutes;
- (2) Moving language regarding the protection of coastal dunes from beach protection objectives to coastal ecosystems objectives and policies and deleting language referring to the protection of beaches and coastal dunes for environmental services and as natural barriers to coastal hazards;
- (3) Deleting language that would have included transportation infrastructure and residential and commercial development under economic use objectives of the CZM program;
- (4) Removing language that would have made avoidance of grading of and damage to coastal dunes a coastal hazard policy of the CZM program;
- (5) Inserting language to include preservation of coastal dunes as an objective of the CZM program;
- (6) Inserting language to prohibit developments on certain subdivided parcels if the parcels will be significantly affected by sea level rise over the period of at least fifty years from the subdivision date;
- (7) Reinserting the term "substantial", rather than "significant", relating to a development's adverse environmental or ecological affect, for purposes of approval of the development in a special management area;
- (8) Inserting language to require a development in a special management area, in order to be approved, to have adequate mitigation, including location and adaptive or resilient design, to reduce the risk of coastal hazards;
- (9) Amending language relating to alternative methods for establishing the shoreline setback line when shoreline erosion rate data is available and reinstating the existing shoreline setback requirement of twenty to forty feet;
- (10) Deleting language that would have required any exemption or waiver to the shoreline setback line to include a covenant prohibiting future improvements to the shoreline that interfere with the natural coastal process; 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 Water, Land, and 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 S.B. No. 2353, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2353, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 4 (Dela Cruz, Riviere, Ruderman, Shimabukuro).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 2345 (Joint) Water, Land, and Agriculture and Judiciary and Labor on S.B. No. 2620

The purpose and intent of this measure is to extend the conclusive presumption of signage as legally adequate warning of dangerous conditions to "non-natural" conditions on unimproved public land.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of the Attorney General, Ko'olaupoko Hawaiian Civic Club, and four individuals. Your Committees received testimony in opposition to this measure from the Hawaii Association for Justice.

Your Committees find that in response to increased public demand for outdoor recreation on public lands and a commensurate increase in liability of the State and counties arising from risks on public lands, the Legislature established a conclusive presumption of signage as legally adequate warning of dangerous natural conditions on improved public lands, which are lands that are part of the state

or county park system or Hawaii statewide trail and access system, state parks, and state parkways. Your Committees find that while non-natural, dangerous conditions may also exist on unimproved public land, the existing conclusive presumption of signage as legally adequate warning does not cover those conditions.

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 Water, Land, and 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. 2620, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2620, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2346 (Joint) Water, Land, and Agriculture and Judiciary and Labor on S.B. No. 2642

The purpose and intent of this measure is to:

- (1) Establish fines and penalties for knowingly capturing, killing, or taking a shark within state waters; and
- (3) Expand the existing prohibition on knowingly capturing or killing a manta ray to all rays.

Your Committees received testimony in support of this measure from the Humane Society of the United States, Animal Rights Hawaii, West Hawaii Humane Society, Conservation Council for Hawai'i, Defenders of Wildlife, and thirty-seven individuals. Your Committees received testimony in opposition to this measure from two individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that sharks and rays are extremely important to ocean ecosystems because they keep the ecosystem balanced, regulate populations of other marine life, and ensure healthy fish stock and reefs. Your Committees further find that in 2010, Hawaii became the first state in the nation to enact a prohibition on the sale of shark fins and fin products; however, the law does not prohibit the taking of whole live sharks in state waters. Your Committees find that this loophole must be closed and manta ray protections must be expanded to include all rays.

Your Committees have amended this measure by:

- (1) Amending the term "shark" to mean any species of shark within the subclass *Elasmobranchii*;
- (2) Amending the term "ray" to mean any species of ray within the subclass *Elasmobranchii*;
- (3) Inserting a severability clause; 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, Land, and 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. 2642, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2642, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2347 (Joint) Water, Land, and Agriculture and Judiciary and Labor on S.B. No. 2512

The purpose and intent of this measure is to increase penalties and establish a fine for animal desertion.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Humane Society of the United States, Animal Rights Hawaii, Hawaii Island Humane Society, Conservation Council for Hawaii, Hawaiian Humane Society, Kauai Community Cat Project, Pele Lani Farm LLC, and forty-two individuals. Your Committees received comments on this measure from one individual.

Your Committees find that thousands of animals, primarily dogs and cats, are abandoned across Hawaii every year, contributing to increased animal control costs, animal suffering and overpopulation, increased euthanasia rates at local animal shelters, and possible harm to native wildlife. Your Committees further find that stronger penalties for animal desertion would encourage pet owners to work with local shelters and animal control contractors when a pet must be re-homed, strengthen pet retention and the human-animal bond, and protect pet owners and the animals themselves.

Your Committees have amended this measure by:

- (1) Clarifying that each violation per animal is a separate offense; 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 Water, Land, and 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. 2512, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2512, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).
 Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2348 Water, Land, and Agriculture on S.B. No. 2967

The purpose and intent of this measure is to establish a community food forest program and to make an appropriation for this program.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawaii Center for Food Safety, and thirty-eight individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and one individual.

The concept of community food forests is to identify public lands, particularly those near community gathering places such as parks and community centers, that may be suitable for edible landscaping or growing edible plants. Your Committee finds that the State should be exploring community food forests as a food source alternative given the State's need for greater sustainability. Community and urban gardens may provide additional sources of low- or no-cost food to residents, while also utilizing developed land for community sustainability purposes.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2967 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
 Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).

SCRep. 2349 Water, Land, and Agriculture on S.B. No. 3068

The purpose and intent of this measure is to appropriate funds for the purchase of five parcels of the Dole lands.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawai'i Farm Bureau; Hawaii Farmers Union United; Waialua Farmers Cooperative; West Oahu County Farm Bureau; Farm Lovers Farmers Markets; Larry Jefts Farms, LLC; and two individuals.

Your Committee finds that viable agricultural land is limited within the State. Your Committee notes the Department of Agriculture's testimony that four of the five parcels included in this measure are viable agricultural land that will fit in the Department's non-agricultural parks program and agrees that the purchase intended by this measure is of interest to the State.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3068 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
 Ayes, 5. Noes, none. Excused, 4 (Ruderman, Shimabukuro, Wakai, Slom).

SCRep. 2350 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on S.B. No. 2773

The purpose and intent of this measure is to provide funding to directly implement three of the six goals outlined in the Aloha+ Challenge: natural resource management, clean energy, and green workforce development.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Hawaii Invasive Species Council; Coordinating Group on Alien Pest Species; O'ahu Invasive Species Committee; Maui County Department of Water Supply; West Maui Mountains Watershed Partnership; Kaua'i Watershed Alliance; Hawai'i Center for Food Safety; The Nature Conservancy; Conservation Council for Hawai'i; 'Ai Pohaku; Mauigrown Coffee, Inc.; and twenty-one individuals.

Your Committees find that through the adoption of Senate Concurrent Resolution No. 69, S.D. 1 (2014), the Legislature endorsed and supported a shared statewide commitment to sustainability through the integrated approach and targets of the Aloha+ Challenge to be achieved by 2030. Given the important work that the Department of Land and Natural Resources does for the protection of the State's land and water, your Committees find that it is necessary to support the Department so that it can fulfill its natural resource management 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 Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2773, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2773, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
 Water, Land, and Agriculture: Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Ruderman, Shimabukuro, Thielen).
 Economic Development, Environment, and Technology: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 4 (Ihara, Keith-Agaran, Ruderman, Thielen).

SCRep. 2351 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on S.B. No. 2245

The purpose and intent of this measure is to exclude certain locally sourced beach sand from the definition of “water pollutant” to allow the use of the sand for erosion mitigation on Hawaii’s beaches.

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, and one individual.

Your Committees find that Hawaii is losing its beaches at an alarming rate due to chronic shoreline retreat and shoreline armoring and that beach erosion is expected to accelerate in the future. Efforts to mitigate beach erosion have been frustrated because sand is currently defined as a water pollutant, despite the fact that sand is a natural occurrence along beaches, stream mouths, and channels. Your Committees therefore find that naturally sourced beach sand should not be considered a pollutant and should be permissible to use when appropriate to help conserve the State’s beaches.

Your Committees have amended this measure by clarifying that sand shall not be considered a water pollutant if it is utilized on the adjoining, rather than adjacent, beach or littoral cell for the purposes of beach erosion mitigation, sediment management, beach restoration, erosion control, or dune restoration.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2245, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2245, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Shimabukuro, Thielen).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Ihara, Keith-Agaran, Ruderman, Thielen).

SCRep. 2352 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on S.B. No. 2771

The purpose and intent of this measure is to:

- (1) Authorize the Department of Agriculture to establish or participate in public-private partnerships to enhance the biosecurity program and quarantine inspection process; provided that Department employees perform the actual inspections;
- (2) Require the Department of Agriculture to adopt rules to establish requirements for biosecurity facilities; and
- (3) 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 Land and Natural Resources, Department of Agriculture, Coordinating Group on Alien Pest Species, Conservation Council for Hawai‘i, Hawai‘i Farm Bureau, and Hawai‘i Floriculture and Nursery Association.

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’s biosecurity program is vital to the public’s health and welfare. While inspections are critical, building local capacity through public-private partnerships to increase the State’s ability to stop the entry of high-risk products would enhance the State’s ability to mitigate and manage invasive species, not only to protect the fragile environment, but to grow the local agricultural industries and increase levels of self-sufficiency and sustainability.

Your Committees also find that it is necessary to ensure that confidential business information is protected during the quarantine inspection process.

Your Committees have therefore amended this measure by:

- (1) Inserting language to require that actual access to shipping documents is limited to shipping companies and Department of Agriculture personnel; 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 Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2771, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2771, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Shimabukuro, Thielen).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Ihara, Keith-Agaran, Ruderman, Thielen).

SCRep. 2353 (Joint/Majority) Water, Land, and Agriculture and Commerce, Consumer Protection, and Health on S.B. No. 2743

The purpose and intent of this measure is to:

- (1) Exempt kalo farm cooperatives from any state or county laws regulating kalo marketing sites;

- (2) Designate the protection of kalo farming as a cultural activity as a state objective;
- (3) Exempt from income tax up to \$75,000 of income derived from kalo products, kalo farming, and activities directly related to kalo; and
- (4) Exempt from the general excise tax amounts received from kalo products, kalo farming, and activities directly related to kalo.

Your Committees received testimony in support of this measure from the Department of Agriculture, Aha Moku Advisory Committee, Life of the Land, Hawaii Farmers Union United, Farm Lovers Farmers Markets, Ho'okipa Network – Kauai and Aha Moku Kauai, Maui Venture Consulting LLC, Hawaii Island School Garden Network, and thirty-two individuals. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that kalo, also known as the taro plant, is a culturally significant plant to the State. One of the agricultural objectives of the Hawaii State Plan is to perpetuate, promote, and increase use of traditional Hawaiian farming systems and growth of traditional Hawaiian crops, such as kalo. Therefore, your Committees find that steps should be taken by the State to ensure not only that kalo farming is protected but also that kalo production is increased and assistance is provided to those who depend on kalo farming as a livelihood.

Your Committees have amended this measure by:

- (1) Moving language that establishes the protection of kalo farming as a cultural activity from section 226-7(a), Hawaii Revised Statutes, objectives and policies for the economy, to section 226-25(b), Hawaii Revised Statutes, objectives and policies for socio-cultural advancement culture;
- (2) Deleting language that would have allowed a kalo marketing site established by a kalo farm cooperative for zoning purposes without requiring a conditional use permit, variance, or special exception;
- (3) Amending language to apply the income tax and general excise tax exemptions to income derived and amounts received, respectively, from the direct sale of kalo products, land used for kalo farming, or any activity directly related to kalo farming;
- (4) Amending section 1 to reflect the amended purpose of this measure; 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, Land, and Agriculture and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2743, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2743, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, 2 (Nishihara, Slom). Excused, 2 (Ruderman, Wakai).

Commerce, Consumer Protection, and Health: Ayes, 4; Ayes with Reservations (Espero). Noes, 2 (Nishihara, Slom). Excused, 1 (Ruderman).

SCRep. 2354 (Joint/Majority) Water, Land, and Agriculture and Commerce, Consumer Protection, and Health on S.B. No. 2901

The purpose and intent of this measure is to amend the definition of “commercial activity” within section 200-4(a), Hawaii Revised Statutes, as it relates to the Chairperson of the Board of Land and Natural Resources’ authority to adopt rules necessary to regulate commercial activities in state waters.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources. Your Committees received testimony in opposition to this measure from Ocean Tourism Coalition, Hawaiian Style Beach Activities, Fair Wind Cruises, and eleven individuals. Your Committees received comments on this measure from two individuals.

Your Committees find that the current definition of “commercial activity” within section 200-4(a), Hawaii Revised Statutes, has been found to be too broad and vague by enforcement officials for the purposes of identifying and regulating the activity. Your Committees further find that it is necessary to clarify that commercial activity in the context of this measure applies only to vessels engaged in commercial activity.

Your Committees have amended this measure by:

- (1) Amending the term “commercial activity” to be limited to activity from the gross revenues derived from the use of the vessel; 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 Water, Land, and Agriculture and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2901, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2901, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, 1 (Slom). Excused, 2 (Ruderman, Wakai).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 2355 Water, Land, and Agriculture on S.B. No. 3031

The purpose and intent of this measure is to authorize the issuance of general obligation bonds to finance improvements to irrigation systems throughout the State.

Your Committee received testimony in support of this measure from the Department of Agriculture; Maui County Farm Bureau; Land Use Research Foundation of Hawaii; Ulupono Initiative; Hawai'i Farm Bureau; Hawaii Cattlemen's Council; PonoHolo Ranch, Limited; Larry Jeffs Farms, LLC; and 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 Budget and Finance, Hawaii Farmers Union United, and one individual.

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 has amended this measure by:

- (1) Inserting an appropriation amount of \$12,700,000;
- (2) Inserting specific irrigation system improvement projects and funding allocations; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3031, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3031, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).

SCRep. 2356 Water, Land, and Agriculture on S.B. No. 3030

The purpose and intent of this measure is to require the Department of Land and Natural Resources to research, monitor, survey, and analyze the status of the Hawaiian coot, Hawaiian moorhen, Hawaiian nene goose, Hawaiian stilt, and Hawaiian duck with respect to their interaction with agricultural practice and publish the results annually on the department's website.

Your Committee received testimony in support of this measure from the Department of Agriculture; Land Use Research Foundation of Hawaii; Hawaii Crop Improvement Association; Maui County Farm Bureau; Hawai'i Farm Bureau; Hunting, Farming, and Fishing Association; Hawaii Hunting Association; and five individuals. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, Animal Rights Hawai'i, and Conservation Council for Hawai'i.

Your Committee finds that damage to agricultural crops by the Hawaiian coot, Hawaiian moorhen, Hawaiian nene goose, Hawaiian stilt, and Hawaiian duck has increased in certain locations in the State and has harmed the livelihood of farmers. Balancing agricultural productivity and the preservation of Hawaii's wildlife is critical to the economic and environmental well-being of the State, and your Committee finds that the research and analysis proposed by this measure are essential to strike the appropriate economic and environmental balance.

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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3030, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3030, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).

SCRep. 2357 Water, Land, and Agriculture on S.B. No. 2983

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist West Maui Investors, LLC, with permits, testing, construction, and post-construction management of two Ukumehame reservoirs.

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 Department of the Attorney General and Department of Budget and Finance.

Your Committee finds that Ukumehame Reservoir numbers 2 and 3 are earthen embankment dams constructed side-by-side along the bottom of the western slope of the Ukumehame Gulch on the island of Maui that receive water from a small diversion off of the stream in the Ukumehame Gulch, which has historically been utilized for agricultural water in the nearby area. Your Committee further finds that following the discovery of a major leak from Ukumehame Reservoir number 3 in 2008, the water level in both Reservoir numbers 2 and 3 were drawn down to minimize the risk of failure; however, the owner modified portions of the water system to bypass Ukumehame Reservoir numbers 2 and 3 and has yet to implement any remediation work that would address public safety.

Your Committee has amended this measure by clarifying that the issuance of special purpose revenue bonds requested by this measure would finance Ukumehame Reservoir numbers 2 and 3 Kehalani offsite retention basin.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2983, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2983, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).

SCRep. 2358 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on S.B. No. 2671

The purpose and intent of this measure is to:

- (1) Establish requirements for the regulation of veterinary technicians and the practice of veterinary technology, including registration and educational requirements; limitations on use of titles; grounds for refusal to grant, revoke, or suspend registration; and criminal penalties; and
- (2) Require the Board of Veterinary Examiners to issue certificates of registration to veterinary technician applicants beginning on July 1, 2018.

Your Committees received testimony in support of this measure from the University of Hawai'i Windward Community College Veterinary Technology Program, Hawaii Veterinary Medical Association, Hawaii Veterinary Technician Association, and seven individuals. Your Committees received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Office of the Auditor, and Board of Veterinary Examiners.

Your Committees find that the importance of veterinary technicians in the veterinary medicine industry is undeniable. Your Committees further find that the veterinary technology program at Windward Community College has been accredited by the American Veterinary Medical Association since 2013. The program enjoys ongoing popularity and outstanding success and has expanded to Maui, with plans to further expand to Hawaii island in the next year. However, graduates from the program must travel out of the State to receive the title of "registered veterinary technician", as that title is not currently recognized in Hawaii.

According to testimony received by your Committees, the primary concern of the veterinary technician industry is to ensure that individuals who use the designation "registered veterinary technician" are registered with the Department of Commerce and Consumer Affairs and that all others may continue to work under the supervision of licensed veterinarians, as permitted under existing law. This type of regulation is commonly referred to as "title protection" because it is designed to allow only authorized individuals to refer to themselves by certain titles. Your Committees conclude that since title protection is the underlying intent behind the registration of veterinary technicians, a different registration structure than the one originally contemplated by this measure may be more appropriate.

After a discussion with interested stakeholders, your Committees conclude that amendments to this measure are necessary to establish a model for a veterinary technician registration program within the Department of Commerce and Consumer Affairs that provides for title protection, establishes criteria for registration, and makes clear that nothing in the new chapter proposed by this measure precludes a licensed veterinarian from utilizing support or auxiliary personnel.

Accordingly, your Committees have amended this measure by:

- (1) Updating the definitions associated with the new chapter for veterinary technology practice;
- (2) Establishing title protection for veterinary technicians and registered veterinary technicians, including prohibitions on use of titles, requiring veterinary technicians to meet qualification requirements and register with the Department of Commerce and Consumer Affairs, and requiring the Department of Commerce and Consumer Affairs to maintain a list of the names and business addresses of registered veterinary technicians;
- (3) Deleting language that would have required the Board of Veterinary Examiners to issue certificates of registration to persons engaged in the practice of veterinary technology as a veterinary technician;
- (4) Removing certain registration requirements for veterinary technicians, including biennial license renewal and continuing education requirements;
- (5) Specifying that an applicant shall file an application in a form prescribed by the Department of Commerce and Consumer Affairs, rather than the Board of Veterinary Examiners;
- (6) Deleting language that would have established requirements for the refusal to grant, revocation, or suspension of a veterinary technician registration;
- (7) Deleting language that would have established hearing requirements associated with the refusal to grant, renew, reinstate, or restore a registration or revoke or suspend the exercise of a registration;
- (8) Deleting language that would have established criminal penalties for violations of veterinary technician registration requirements;
- (9) Deleting language that would have required one member of the Board of Veterinary Examiners to be a veterinary technician and one member, rather than two, to be a public member;
- (10) Appropriating \$95,000 out of the compliance resolution fund to implement the registration of veterinary technicians;
- (11) Requiring each veterinary technician to pay a surcharge in addition to registration 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 sum appropriated;
- (12) Inserting an effective date of July 1, 2016; provided that the registration of veterinary technicians shall take effect July 1, 2018; and
- (13) 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, Consumer Protection, and 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. 2671, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2671, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2359 Commerce, Consumer Protection, and Health on S.B. No. 2662

The purpose and intent of this measure is to ensure that any surplus proceeds from an association foreclosure be paid to junior creditors and the former owner of the condominium instead of first being paid to the first mortgage holder.

Prior to the hearing on this measure, your Committee made available for public review a proposed S.D. 1 of this measure. The proposed S.D. 1 deleted the contents of this measure and inserted provisions that clarify that a director elected by a specific group of unit owners may be removed only by that group and clarify the voting requirement for certain nonresidential units in a mixed-use condominium project.

Your Committee received testimony in support of the proposed S.D. 1 from the Hawai'i State Association of Parliamentarians, Community Associations Institute, Associa, Hawaii Council of Association of Apartment Owners, and one individual.

Your Committee finds that existing condominium law permits different classes of directors in mixed-use projects. Existing law also provides for the removal of directors by a majority of the unit owners. The proposed S.D. 1 clarifies that the removal or replacement of a director elected by a class of unit owners shall only be by a majority of the members of that class. Your Committee notes that this clarification is similar to language regarding removal of directors in the Hawaii Business Corporations Act and Hawaii Nonprofit Corporations Act.

Your Committee further finds that existing law specifies that no votes allocated to a unit owned by a condominium association may be cast for the election or reelection of directors. However, this prohibition may be an issue for mixed-use condominium projects where directors are elected by different classes of owners. For example, in a mixed-use project that contains residential and commercial units, the board of directors may be comprised of directors elected by residential unit owners and directors elected by commercial unit owners. A condominium association who owns the single commercial unit in a mixed-use project would therefore be unable to elect or reelect the directors needed to represent that commercial unit. Accordingly, this proposed measure makes an exception for votes cast for nonresidential units owned by an association to ensure that elections may be held and directors may be elected.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Clarifying that notwithstanding section 514B-106(b), Hawaii Revised Statutes, or any provision in an association's declaration or bylaws to the contrary, the votes allocated to any nonresidential unit owned by an association in a mixed-use project may be cast for the election or reelection of directors by an 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2662, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2662, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 2360 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on S.B. No. 668

The purpose and intent of this measure is to provide immunity from liability to the Department of Health and its employees, agents, and volunteers for operating the clean and sober homes registry in good faith.

Your Committees received testimony in support of this measure from the Department of Health, Hawaii Paroling Authority, Hawaii Substance Abuse Coalition, The Salvation Army Addiction Treatment Services and Family Treatment Services, The CHOW Project, and Ku Aloha Ola Mau. Your Committees received testimony in opposition to this measure from the Hawaii Association for Justice and Ho'omana Pono, LLC.

Your Committees find that stable housing is a critical component in the continuum of substance abuse treatment and recovery. Act 193, Session Laws of Hawaii 2014, was enacted to help residents of clean and sober group homes to access a stable, alcohol- and drug-free home-like living environment that provides a means for persons to return to the community without the rigid structure of a licensed therapeutic living program.

Your Committees further find that the voluntary registry of clean and sober homes will provide a more formalized means for agencies to refer clients. However, exposure to liability is possible if information made available in good faith by registry staff results in adverse consequences or if the public attempts to hold the registry liable for incidents that occur in a particular clean and sober home.

Your Committees acknowledge that clean and sober homes are not licensed by the Department of Health and that the Department is performing non-regulatory responsibilities in the registry of these homes. This measure reduces the State's exposure to liability for operating the registry for clean and sober homes in good faith.

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 Commerce, Consumer Protection, and 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. 668, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 668, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2361 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on S.B. No. 2392

The purpose and intent of this measure is to:

- (1) Create immunity for certain individuals who prescribe, possess, dispense, or administer an opioid antagonist such as naloxone hydrochloride during an opioid-related drug overdose;
- (2) Authorize emergency personnel to administer opioid antagonists as clinically indicated;
- (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 Department of Health, Hawaii College of Emergency Physicians, Hawaii Community Pharmacists Association, Hawaii Medical Association, Hawaii Substance Abuse Coalition, The Drug Policy Forum of Hawai'i, Hawaii Medical Association (HMSA), The CHOW Project, The Salvation Army Addiction Treatment Services and Family Treatment Services, Kū Aloha Ola Mau, The Drug Policy Action Group, State Narcotic Policy Steering Working Group, and twenty-four individuals. Your Committees received comments on this measure from the Department of Human Services; Department of the Attorney General; Honolulu Emergency Services Department, Emergency Medical Services Division; and Board of Pharmacy.

Your Committees find that according to the Centers for Disease Control and Prevention, overdoses involving prescription painkillers are at epidemic levels. However, deaths caused by opioids are often preventable via timely administration of an opioid antagonist, such as naloxone hydrochloride. Studies have found that providing opioid overdose training and naloxone kits can help people identify signs of an opioid-related drug overdose and can help reduce opioid overdose mortality.

Your Committees further find that over half of the states in the country have enacted some form of a 911 drug immunity law or have implemented a law or developed a pilot program to allow administration of medication, like naloxone hydrochloride, to reverse the effects of an opiate-related overdose. Numerous state and national organizations also support increased access to naloxone.

Your Committees have amended this measure by:

- (1) Substituting references to "naloxone hydrochloride" with "opioid antagonist";
- (2) Inserting definitions for "harm reduction organization", "pharmacist", and "standing order";
- (3) Amending the definition of "opioid antagonist";
- (4) Amending language that allows a health care professional authorized to prescribe an opioid antagonist to prescribe, dispense, and distribute an opioid antagonist to a harm reduction organization;
- (5) Inserting language to allow a pharmacist who prescribes, dispenses, or distributes an opioid antagonist in good faith to not be subject to any criminal or civil liability or any professional disciplinary action;
- (6) Inserting language that authorizes all law enforcement officers, firefighters, and lifeguards to administer an opioid antagonist as clinically indicated and under certain circumstances;
- (7) Inserting language that provides immunity for emergency medical technicians, law enforcement officers, firefighters, and lifeguards who, acting in good faith and with reasonable care, administer an opioid antagonist to another person under certain conditions from criminal prosecution, professional licensing sanctions, and civil liability;
- (8) Deleting language that would have provided exemptions for prescription orders of naloxone hydrochloride from certain license requirements and permit requirements;
- (9) Clarifying that certain persons and harm reduction organizations acting under a standing order may store an opioid antagonist and may distribute an opioid antagonist; provided that the distribution is without charge or compensation;
- (10) Requiring the Department of Health to work with community partners on drug overdose recognition, prevention, and response;
- (11) Including volunteer firefighters and lifeguards under emergency services and law enforcement personnel who shall receive education and training on drug overdose response and treatment;

- (12) Deleting language that would have appropriated an unspecified amount for drug overdose recognition, prevention, and response;
- (13) Amending the definition of “practice of pharmacy” to include dispensing an opioid antagonist under certain conditions; and
- (14) 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, Consumer Protection, and 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. 2392, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2392, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Espero, Ruderman).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2362 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on S.B. No. 2776

The purpose and intent of this measure is to:

- (1) Allow a commissioner to attend by teleconference or videoconference a public hearing of the Public Utilities Commission in certain circumstances; and
- (2) Require at least one of the three members of the Public Utilities Commission to be a resident of a county other than the City and County of Honolulu and receive per diem compensation.

Your Committees received testimony in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Young Brothers, Limited; and one individual. Your Committees received comments on this measure from the Public Utilities Commission and one individual.

Your Committees find that the Public Utilities Commission (Commission) is responsible for protecting the interests of consumers and regulated utilities throughout the State. This measure provides the Commission with additional options for attendance at its public hearings through the use of teleconference and videoconference technology by Public Utilities Commissioners. However, according to testimony by the Public Utilities Commission, there are certain hearings, such as contested case hearings, where all three commissioners should be physically present.

Your Committees further find that the decisions of the Commission, especially in the area of energy regulation, will have a profound effect on Hawaii for many years. It is therefore essential to have the most qualified individuals serve as Public Utilities Commissioners. Although this measure proposes to require one of the three commissioners to reside on a neighbor island, your Committees have heard the concerns that this requirement may have unintended consequences, including eliminating from consideration a highly qualified individual that would otherwise be best suited for appointment to the Commission.

Accordingly, your Committees have amended this measure by:

- (1) Permitting commissioners to attend public hearings of the Commission by teleconference or videoconference in certain circumstances, except for contested case hearings;
- (2) Enabling a person’s island of residence to be used as a criterion when determining the person’s qualification to serve as a commissioner, rather than requiring at least one of the three members of the Commission to be a resident of a county other than the City and County of Honolulu;
- (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 Commerce, Consumer Protection, and 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. 2776, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2776, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6; Ayes with Reservations (Nishihara). Noes, none. Excused, 1 (Ruderman).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2363 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on S.B. No. 2812

The purpose and intent of this measure is to amend Hawaii’s charitable solicitation law to: require affirmative disclosures to donors by professional solicitors; clarify exemptions from registration; and make other technical amendments.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Association of Fundraising Professionals – Aloha Chapter, and Hawai’i Alliance of Nonprofit Organizations.

Your Committees find that Hawaii does not currently require professional solicitors to inform donors at the outset of any solicitation that the person or entity is a professional solicitor and is being paid to make contact with the donor. This measure requires an affirmative disclosure in the course of solicitation, which will require professional solicitors to be more transparent and will prevent donor confusion and possible deceptive practices.

Your Committees further find that this measure also provides for the electronic submission of financial reports that professional solicitors are required to submit to the Attorney General at the end of a solicitation campaign conducted on behalf of a charity, which will provide more robust public access to information that is submitted by registered fundraisers.

Finally, your Committees appreciate the considerable input provided by the Department of the Attorney General in testimony before your Committees and note that this measure will improve and clarify Hawaii's charitable solicitation law in a manner that better reflects the realities of the nonprofit fundraising environment, promotes transparency for donors, and encourages ease of compliance for charitable nonprofits.

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, Consumer Protection, and 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. 2812, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2812, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2364 Judiciary and Labor on S.B. No. 2434

The purpose and intent of this measure is to:

- (1) Exempt certain procurements of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) from the procurement code;
- (2) Specify the fiduciary duties of EUTF trustees;
- (3) Amend the composition, appointing authorities, vacancy-filling procedure, and quorum requirements of the EUTF board of trustees;
- (4) Authorize the establishment of a sub-board of the EUTF Board of Trustees to administer contributions and benefits of a particular bargaining unit if the exclusive bargaining representative negotiates a specific contribution to apply to only that bargaining unit;
- (5) Authorize the EUTF board to appoint attorneys independent of the Attorney General; and
- (6) Amend the administration of EUTF monies and transfer control of EUTF from the Department of Budget and Finance to the Department of Human Resources Development.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; University of Hawaii Professional Assembly; and Hawaii Fire Fighters Association. Your Committee received testimony in opposition to this measure from the Department of the Attorney General, Department of Budget and Finance, and State Procurement Office. Your Committee received comments on this measure from the Department of Human Resources Development and Department of Budget and Fiscal Services of the City and County of Honolulu.

Your Committee finds that there is concern regarding the operation of the EUTF and reforms are necessary to control costs, encourage preventive care, implement wellness programs, and provide information on provider performance and efficiency. Implementation of this measure will help reduce some of the concerns associated with the operation of the EUTF.

Your Committee has amended this measure by:

- (1) Deleting section 1, relating to the procurement exemption and fiduciary duties; sections 2 and 5, relating to the hiring of independent attorneys by the EUTF; section 4, relating to vacancy-filling procedure; section 7, relating to administration of EUTF monies; and section 8, relating to the transfer of the EUTF from the Department of Budget and Finance to the Department of Human Resources Development;
- (2) Eliminating the authorization to establish a sub-board of the EUTF Board of Trustees to administer contributions and benefits negotiated for only a particular bargaining unit;
- (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. 2434, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2434, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2365 Judiciary and Labor on S.B. No. 2844

The purpose and intent of this measure is to reauthorize \$10,000,000 in general revenues to be deposited into the emergency and budget reserve fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that the Legislature authorized the appropriation of \$10,000,000 in general revenues to be deposited into the emergency and budget reserve fund under Act 202, Session Laws of Hawaii 2015. However, Act 202 was signed by the Governor on July 2, 2015, two days after the end of fiscal year 2014-2015, and the monies appropriated could not be deposited. This measure corrects inadvertent errors in the approval processing.

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. 2844, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2844, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2366 Judiciary and Labor on S.B. No. 2724

The purpose and intent of this measure is to:

- (1) Expand the types of projects that must comply with wage and hour requirements under chapter 104, Hawaii Revised Statutes, including construction projects on public lands regardless of whether the work is paid from public funds, and projects for which public lands are used as security for financing;
- (2) Exempt certain projects from chapter 104, Hawaii Revised Statutes;
- (3) Establish requirements that apply in situations involving private lessees of public land who contract for certain projects on public land; and
- (4) Require every lease issued by the Board of Land and Natural Resources to contain a provision requiring that all contracts for construction on the land be subject to the requirements of chapter 104, Hawaii Revised Statutes, imposed on public work projects.

Your Committee received testimony in support of this measure from the Hawaii State AFL-CIO; Hawai'i Construction Alliance; Pacific Resource Partnership; Operating Engineers, Local Union No. 3; Hawaii Regional Council of Carpenters; International Union of Bricklayers and Allied Craftworkers, Local #1 of Hawaii; Hawai'i Coalition for Immigrant Rights; and one individual. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and General Contractors Association of Hawaii. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that prevailing wages ensure that workers are paid appropriate wages. However, chapter 104, Hawaii Revised Statutes, pertaining to wages and hours worked on public works, is not applicable to state lands that are leased to private developers. As a result, the workers on these projects often receive less than what they are due for their skills and labor. Implementation of this measure will ensure that workers on public lands are paid prevailing wages and encourage a more productive workforce, resulting in projects that are constructed efficiently, safely, and with quality craftsmanship.

Your Committee has amended this measure by:

- (1) Amending the definition of "governmental contracting agency" to include any public-private partnership;
- (2) For public work projects subject to chapter 104, Hawaii Revised Statutes, but not directly caused by a governmental contracting agency, retaining the authority of the Director of Labor and Industrial Relations, rather than other entities, to enforce chapter 104, Hawaii Revised Statutes;
- (3) Deleting the requirement that every lease issued by the Board of Land and Natural Resources contain a provision requiring that all contracts for construction on the land be subject to the requirements of chapter 104, Hawaii Revised Statutes, imposed on public work projects;
- (4) Inserting language to clarify that the Director of Labor and Industrial Relations has authority to terminate a contractor's or subcontractor's right to proceed with work for failure to pay agreed wages;
- (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. 2724, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2724, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Slom).

SCRep. 2367 Judiciary and Labor on S.B. No. 2104

The purpose and intent of this measure is to:

- (1) Create standards and procedures for income withholding, similar to those used for outstanding child support payments, for purposes of enforcing restitution orders;
- (2) Amend the definition of "debt" relating to the recovery of money owed to the State to include court-ordered restitution subject to civil enforcement;

- (3) Provide priority of income withholding orders;
- (4) Require that any bail posted by a defendant be applied toward payment of any court-ordered restitution in the same case;
- (5) Extend victims' access to adult probation records to include access to payment compliance records;
- (6) Make permanent Act 119, Session Law of Hawaii 2011, which allows certain adult probation records to be provided to certain case management, assessment, or treatment service providers upon the screening for admission, acceptance, or admittance of the defendant into a treatment program; and
- (7) Appropriate funds to enhance restitution collection, including the hiring of necessary staff.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission; Department of the Prosecuting Attorney, City and County of Honolulu; Office of the Prosecuting Attorney, County of Kauai; and one individual. Your Committee received comments on this measure from the Judiciary, Department of the Attorney General, and Department of Taxation.

Your Committee finds that victim restitution is a paramount victim's right that addresses a wide range of effects of crime, including physical, emotional, psychological, financial, and social impacts. This measure offers a comprehensive approach to restitution collection so that victims of crimes will not be provided hollow promises when the court orders restitution.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Attorney General to add references to chapters 580 and 584, Hawaii Revised Statutes, as having priority over an income withholding order for court-ordered restitution;
- (2) Adding a severability clause;
- (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. 2104, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2104, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2368 Judiciary and Labor on H.B. No. 401

The purpose and intent of this measure is to:

- (1) Require that an affidavit on an application for voter registration be part of the application associated with the issuance of a motor vehicle driver's license or identification card;
- (2) Allow applicants for a new or renewed motor vehicle driver's license, provisional license, or instruction permit, or new, renewed, or duplicate identification card to be automatically registered to vote if that person is not already registered to vote and opts to be registered to vote;
- (3) Require the examiner of drivers to collect and transmit the necessary personal information required for voter registration and transmit the information to the clerk of the county in which the applicant resides;
- (4) Require the clerk of the county in which the applicant resides to review the application and register the name of the voter in the general county register if the application is approved; and
- (5) Make various conforming amendments to reflect the requirement of automatic voter registration on an application for a motor vehicle driver's license or identification card.

Your Committee received testimony in support of this measure from the Office of Elections; Office of Hawaiian Affairs; Office of the County Clerk, County of Kaua'i; League of Women Voters of Hawaii; and two individuals. Your Committee received comments on this measure from Common Cause Hawaii and one individual.

Your Committee finds that Hawaii has one of the lowest voter registration rolls and participation rates in the country. This measure will assist in increasing voter registration by providing the option for individuals when applying for driver's licenses and state identification cards to register to vote. However, your Committee notes the concerns raised in testimony regarding potential conflicts with the federal National Voter Registration Act and whether providing an opt-in system is problematic, especially when opt-out systems in other states have proven successful. Your Committee believes that any conflicts with the federal law should be addressed as this measure continues through the legislative process.

Your Committee has amended this measure by:

- (1) Allowing applicants for motor vehicle driver's licenses or identification cards to be automatically registered to vote unless the applicant affirmatively declines to register to vote;
- (2) Requiring the examiner of drivers to electronically transmit the necessary information to election officials and the statewide voter registration system, in addition to the appropriate county clerk;
- (3) Authorizing access to and electronic transmission of databases maintained or operated by the counties or the Department of Transportation containing driver's license or identification card information to election officials and the statewide voter registration system;

- (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. 401, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 401, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2369 Commerce, Consumer Protection, and Health on S.B. No. 2815

The purpose and intent of this measure is to afford the same privileges and immunities to professionally licensed or certified state employees that are afforded to other state employees.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Department of Public Safety; Department of Taxation; City and County of Honolulu, Department of Human Resources; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice.

Your Committee finds that state employees are generally afforded qualified immunity for torts as a result of actions taken while in the course and scope of their state employment, which affords these employees protection from individual liability. However, in the recent case of *Slingluff v. State*, 317 P.3d 683 (Haw. Ct. App. 2013), the Intermediate Court of Appeals held that prison physicians were not entitled to qualified immunity for the exercise of their professional medical judgment. According to testimony received by your Committee, the *Slingluff* court created a distinction between medical judgment and governmental judgment, effectively nullifying qualified immunity for the same types of government officials to whom Hawaii's appellate courts have long granted immunity. Your Committee further finds that the potential for personal liability can have a negative impact on hiring and retention of well-qualified professionals who are interested in working for the State.

Your Committee has heard the concerns regarding the use of professional discretion and governmental discretion in this measure and whether this measure may give immunity beyond what was provided to state employees prior to the *Slingluff* decision. Your Committee understands these concerns and notes the importance of holding professionally licensed or certified state employees to appropriate professional standards of care.

In response to these concerns, your Committee requested that interested stakeholders work together to seek a balanced procedure that would address the liability of state employees in tort claims. Your Committee notes that the interested stakeholders have almost reached a consensus on this procedure to address liability of state employees. Amendments to this measure are therefore necessary to incorporate language agreed to by interested stakeholders.

Your Committee has amended this measure by:

- (1) Removing language that stated a person exercising professional discretion while in the course and scope of state employment shall be deemed to be exercising governmental discretion and therefore afforded the same privileges and immunities that are afforded to other state employees;
- (2) Clarifying that the State waives its immunity from liability and shall be exclusively liable for all tort actions on claims for money damages for injury or loss of property, or personal injury or death caused by the negligent or wrongful act or omission of any professionally licensed or certified employees of the State while acting within the scope of the employee's office or employment;
- (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.

Your Committee notes that this amended measure remains a work in progress and additional consideration may be warranted by your Committees on Judiciary and Labor and Ways and Means.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2815, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2815, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 2370 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on S.B. No. 2849

The purpose and intent of this measure is to clarify the State's escrow depositories law, by: adding definitions; authorizing the Commissioner of Financial Institutions to use NMLS for its escrow depositories program; adding criminal history record check and disclosure requirements to licensure and change in control applications; updating the escrow depository license renewal date for consistency with NMLS; clarifying sale or transfer of license or change in control requirements; and updating certain fees.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs and First American Title Company.

Your Committees find that criminal history record checks are not currently required for escrow depository principals, officers, and controlling parties. This measure improves the Commissioner of Financial Institutions' ability to determine the suitability of new applicants for escrow depository licenses by requiring litigation disclosure and criminal history record checks, which will enhance

protection of consumer funds and transactions involving escrow depositories. This measure also requires the Commissioner to approve a license transfer through a change in control event, which will ensure that any entity entering into the business of an escrow depository meets the same criteria as a new applicant. Your Committees further find that this measure streamlines the escrow depository licensing process by authorizing the Commissioner to use NMLS, a nationwide online licensing and registration system for state-licensed providers of financial services, and makes other amendments to the escrow depositories law for clarity and to support licensee compliance.

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, Consumer Protection, and 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. 2849, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2849, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2371 (Joint) Tourism and International Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2693

The purpose and intent of this measure is to allow transient accommodations brokers to register as tax collection agents to collect and remit general excise and transient accommodations taxes on behalf of operators and plan managers using their services.

Your Committees received testimony in support of this measure from the Department of Taxation, Airbnb, Hawaii Lodging & Tourism Association, Rental By Owner Awareness Association, and numerous individuals. Your Committees received testimony in opposition to this measure from Unite Here Local 5. Your Committees received comments on this measure from the County of Kauai Office of the Prosecuting Attorney, County of Kauai Department of Planning, 17 Palms Kauai, and Tax Foundation of Hawaii.

Your Committees find that allowing a private person to act as a tax collection agent is likely to ease the burden of collecting taxes. As an example, section 237-9, Hawaii Revised Statutes, allows a person engaged in network marketing, multi-level marketing, or other similar business to enter into an agreement with the Department of Taxation to act as a tax collection agent on behalf of its direct sellers. Your Committees find that similarly allowing a transient accommodations broker to act as a tax collection agent on behalf of providers of transient accommodations that utilize the services of the transient accommodations broker may facilitate the collection of transient accommodations taxes and general excise taxes.

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 Tourism and International Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2693, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2693, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Majority Leader and Chair on behalf of the Committees.

Tourism and International Affairs: Ayes, 4. Noes, none. Excused, 2 (Tokuda, Slom).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2372 (Joint) Tourism and International Affairs and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2987

The purpose and intent of this measure is to:

- (1) Make permanent the annual \$103,000,000 allocation of transient accommodations tax revenues to the counties; and
- (2) Establish a state-county functions working group in 2022 to recommend the allocation of transient accommodations tax revenues between the State and counties based upon the division of duties and responsibilities for the provision of public services.

Your Committees received testimony in support of this measure from the Department of Budget and Finance and one individual. Your Committees received testimony in opposition to this measure from the Office of the Mayor of the County of Kaua'i, Office of the Mayor of the City and County of Honolulu, Office of the Mayor of the County of Maui, Maui County Council, Kaua'i County Council, Hawai'i State Association of Counties, and one individual. Your Committees received comments from the County of Hawaii Office of the Mayor, Hawaii Council of Mayors, and Tax Foundation of Hawaii.

Your Committees find that Act 174, Session Laws of Hawaii 2014, established the current cap on the distribution to the counties at \$103,000,000 for fiscal years 2014-2015 and 2015-2016, and \$93,000,000 for each fiscal year thereafter. The \$93,000,000 cap is the cap prior to Act 174. The legislative history of this provision does not reveal the reasons for raising the cap and then lowering it. Conference Committee Report No. 145-14 on H.B. No. 1671, H.D. 1, S.D. 1, C.D. 1 (Regular Session of 2014), states: "Your Committee on Conference finds that the Legislature, in enacting Act 161, Session Laws of Hawaii 2013, established a cap of \$93,000,000 on the amount of transient accommodations tax revenues allocated to the counties. Your Committee on Conference believes that increasing the maximum amount of transient accommodations tax revenues allocated to the counties will allow the counties to better provide for public safety, parks, road maintenance, and visitor-related services."

Your Committees further find that the counties continue to struggle financially with the costs of providing basic public services. Therefore, making the \$103,000,000 cap permanent is in the best interests of the State and the counties.

Your Committees have amended this measure by:

- (1) Inserting an effective date of June 22, 2026; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

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. 2987, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2987, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Majority Leader and Chair on behalf of the Committees.

Tourism and International Affairs: Ayes, 4. Noes, none. Excused, 2 (Kim, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2373 Tourism and International Affairs on S.B. No. 2673

The purpose and intent of this measure is to require a travel agency that sells activities individually or as part of a tour package to register as an activity desk.

Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that a travel agency is required by law to register prior to selling or advertising travel services and an activity desk is required to register prior to selling, contracting for, arranging, or advertising activities that are furnished by an activity provider. Travel agencies may sometimes act as activity desks when they sell or arrange activities furnished by an activity provider for travelers either as individual activities or as part of a tour package.

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. 2673, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2673, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Majority Leader on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 2374 (Joint) Higher Education and the Arts and Commerce, Consumer Protection, and Health on S.B. No. 2767

The purpose and intent of this measure is to improve students' mental health treatment and services at the University of Hawaii at Manoa by appropriating funds for the University to hire three psychologists and one case manager.

Your Committees received testimony in support of this measure from the University of Hawaii System, University of Hawaii at Manoa Graduate Student Organization, and twenty-three individuals.

Your Committees find that poor mental health among college students is a growing concern nationwide. A 2011 report by the American Psychological Association indicates that in addition to college counseling centers becoming increasingly understaffed, there is a rise in the number of students struggling with eating disorders, substance abuse, and self-inflicted injury, as well as an increase in the number of students seeking help for serious mental health problems. A 2010 survey by the American College Health Association found that over forty-five percent of students reported feeling hopeless and over thirty percent reported feeling so depressed that it was difficult to function.

Your Committees also find that the University of Hawaii at Manoa has a need for more staff to adequately address students' mental health needs. While national guidelines call for one licensed psychologist for every one thousand to one thousand five hundred students, the University of Hawaii at Manoa has an average enrollment of twenty thousand students and only seven and one-half tenured track psychologist positions. During the 2014-2015 academic year, the University serviced approximately 1,300 students and provided almost 8,000 hours of therapy. As of February 2016, the wait time for mental health services at the University for non-urgent clients was sixteen days. Your Committees recognize a need to improve mental health services at the University by reducing the amount of time students are on the waitlist for individual psychotherapy services, providing consistent follow-up for student mental health clients, and retaining staff at the counseling and student development center that are currently leaving to work in private practice as the result of uncompetitive pay.

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 Higher Education and the Arts and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2767, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2767, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 4. Noes, none. Excused, none.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2375 (Joint) Higher Education and the Arts and Commerce, Consumer Protection, and Health on S.B. No. 3017

The purpose and intent of this measure is to address the shortage of family medicine primary care physicians for rural Oahu and neighbor island communities by making an appropriation to support and expand the medical residency education programs at the John A. Burns School of Medicine.

Your Committees received testimony in support of this measure from the University of Hawaii System, Hawaii Pacific Health, Hawaii Medical Service Association, Hawaii Academy of Family Practice, The Queen's Health Systems, and two individuals.

Your Committees find that studies of the physician workforce in Hawaii indicate a shortage of seven hundred physicians, with the greatest shortages existing in primary care specialties and rural areas. Increasing demands on the State's health care system due to population growth, aging, and the prevalence of chronic diseases require an increase in the existing physician base. Access to a personal physician decreases morbidity and mortality, promotes early detection and careful management of chronic diseases, and controls health care costs by deferring unnecessary hospital admissions and unnecessary emergency department visits.

Your Committees also find that considerable educational debt deters medical students from primary care specialties and rural employment because other specialties in urban areas often offer higher compensation.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3017 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 4. Noes, none. Excused, none.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2376 (Joint) Higher Education and the Arts and Commerce, Consumer Protection, and Health on S.B. No. 2388

The purpose and intent of this measure is to:

- (1) Permit monies in the John A. Burns School of Medicine special fund to be used for loan repayment for certain health care professionals;
- (2) Remove the cap on expenditures from the John A. Burns School of Medicine special fund; and
- (3) Make permanent the physician workforce assessment fee and related requirements for use of monies in the John A. Burns School of Medicine special fund.

Your Committees received testimony in support of this measure from the University of Hawaii System, The Queen's Health Systems, Hawaii State Rural Health Association, Lanai Community Health Center, and four individuals.

Your Committees find that a shortage of primary health care providers affects healthcare costs and threatens the health of Hawaii's residents, particularly in rural communities and on the neighbor islands. Your Committees further find that the University of Hawaii John A. Burns School of Medicine's physician workforce assessment is a valuable tool that provides ongoing assessment and planning for Hawaii's physician workforce. The workforce assessment program has successfully identified the unmet need for physicians across the State and implemented efforts to recruit and retain healthcare providers.

Your Committees additionally find that it is important to accept and disburse funds toward healthcare student loan repayment to encourage healthcare professionals to work in lower paying geographic areas and specialties such as primary care. The rising cost of education for healthcare professionals deters many healthcare professionals from working in rural areas or primary care, which limits access to needed healthcare. The Hawaii state loan repayment program gives primary healthcare providers an incentive to provide care at designated health professional shortage areas in Hawaii in order to receive assistance with repayment of educational loan debt.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2388 and recommend that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 4. Noes, none. Excused, none.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2377 (Joint) Higher Education and the Arts and Water, Land, and Agriculture on S.B. No. 2141

The purpose and intent of this measure is to support the growth and sustainability of Hawaii's agriculture industry by appropriating funds for the sustainable and organic agriculture program at the University of Hawaii College of Tropical Agriculture and Human Resources.

Your Committees received testimony in support of this measure from the University of Hawaii College of Tropical Agriculture and Human Resources, Department of Agriculture, Hawaii Farm Bureau Federation, Hawaii Farmers Union United, Hawaii Island School Garden Network, Kānalani Ohana Farm, and twenty-four individuals. Your Committees received testimony in opposition to this measure from Ho'omana Pono, LLC.

Your Committees find that across the State farmers are experimenting with different ways of producing agricultural products in ways that are sustainable and beneficial to the social, economic, and environmental well-being of farm families and rural communities. Your Committees further find that the sustainable and organic agriculture program at the University of Hawaii College of Tropical Agriculture and Human Resources is committed to increasing awareness and adoption of sustainable and organic practices across the State while addressing the challenges of creating more profitable farm incomes, environmental stewardship, and stable and prosperous

farm communities. Your Committees find that supporting the growth of the sustainable and organic agriculture program will strengthen the organic industry in Hawaii which will help the State's agricultural industry and reduce the volume of imported organic products and invasive species that are commonly found on imported organic produce.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2141 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 1 (Kidani).

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

SCRep. 2378 Housing on S.B. No. 2092

The purpose and intent of this measure is to appropriate funds to and out of the rental housing revolving fund.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, EAH Housing, PHOCUSED, FACE, Catholic Charities Hawaii, Ali'i Pauahi Hawaiian Civic Club, The CHOW Project, Hawaii Association of REALTORS, Partners in Care, Hawaii Appleseed Center for Law and Economic Justice, and one individual. Your Committee received comments on this measure from the Coordinator on Homelessness under the Office of the Governor.

Your Committee finds that there is a serious need to develop affordable rental housing in Hawaii to meet the needs of individuals and families who are homeless or at risk of becoming homeless. The rental housing revolving fund provides loans to fill financing gaps to enable the development, preservation, or rehabilitation of affordable rental housing projects. According to the Hawaii Housing Finance and Development Corporation, a bond-financed appropriation was requested in the supplemental budget to infuse \$75,000,000 into the rental housing revolving fund, which would help finance the development of six hundred affordable rental units.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2092 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Green, Ihara, Slom).

SCRep. 2379 Housing on S.B. No. 2563

The purpose and intent of this measure is to:

- (1) Make the projects of the Hawaii Public Housing Authority eligible for grants from the rental housing revolving fund;
- (2) Make the Hawaii Public Housing Authority eligible for the lease of land from the Hawaii Housing Finance and Development Corporation at token lease rent; and
- (3) Revise the preferences and priorities for the funding of projects from the rental housing revolving fund.

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 the Hawaii Housing Finance and Development Corporation.

Your Committee finds that projects of the Hawaii Public Housing Authority are operated for low-income family and elderly renters and, consequently, provide affordable rental housing for the class of people who most need state assistance. Therefore, the Authority should have the opportunity to compete for funds from the rental housing revolving fund. This measure would also assist the Authority with its redevelopment projects within the transit-oriented development zones on Oahu, which are anticipated to increase the number of affordable housing units.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2563 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2380 Housing on S.B. No. 2566

The purpose and intent of this measure is to transfer excess monies from the dwelling unit revolving fund and rental assistance revolving fund to the rental housing revolving fund.

Your Committee received comments on this measure from the Coordinator on Homelessness under the Office of the Governor. Your Committee received testimony in opposition to this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that more affordable rental housing is needed by the people of Hawaii. Because the rental housing revolving fund is the main source of capital from the State for affordable rental housing projects, the rental housing revolving fund should be augmented to enable the development of more affordable rental housing projects.

Your Committee further finds that the rental assistance revolving fund is not particularly robust and that excess amounts in that fund should be transferred to the rental housing revolving fund to continue to finance rental housing for lower income households.

Your Committee has amended this measure by:

- (1) Deleting findings related to the dwelling unit revolving fund;

- (2) Deleting section 2, which would have transferred \$20,000,000 from the dwelling unit revolving fund to the rental housing revolving fund; 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2566, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2566, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Green, Slom).

SCRep. 2381 Human Services on S.B. No. 2878

The purpose and intent of this measure is to:

- (1) Extend the deadline for former foster youth to apply for financial assistance for higher education costs;
- (2) Clarify that financial assistance available to former foster youth is for related higher education costs and not specifically limited to room and board costs; and
- (3) Clarify eligibility and program requirements for the ongoing implementation of the young adult voluntary foster care program.

Your Committee received testimony in support of this measure from Effective Planning and Innovative Communication Ohana, Inc.; Family Programs Hawaii; Hawaii Youth Services Network; Hawai'i Helping Our People Envision Success; and eleven individuals.

Your Committee finds that improving the transition of foster youth and former foster youth to the challenges of adulthood requires a supportive safety net and system that include an opportunity for higher education. Extending the deadline to apply for financial assistance for higher education costs from age twenty-two to twenty-six allows foster youth and former foster youth more time to access higher education. The young adult voluntary foster care program also assists with the transition to adulthood. Allowing the financial assistance to cover related costs of higher education and not just room and board give the foster youth and former foster youth more flexibility in pursuit of higher education.

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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2878, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2878, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 2382 (Joint) Housing and Economic Development, Environment, and Technology on S.B. No. 3077

The purpose and intent of this measure is to establish a transit-oriented development advisory group to develop, in collaboration with the Office of Planning, a unified action plan for the implementation of transit-oriented development on a state level.

Your Committees received testimony in support of this measure from the Office of Planning, Hawaii Public Housing Authority, Chamber of Commerce Hawaii, and Building Industry Association of Hawaii. Your Committees received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committees find that in 2015, the ad-hoc state transit-oriented development task force was convened to identify and determine priority sites and projects that should be considered for transit-oriented development master planning and development. Task force members included state and city and county agencies, elected officials, and numerous private individuals and entities. In December 2015, the task force submitted a report to the Legislature, which included various recommendations such as formally constituting the state transit-oriented development task force to promote effective and efficient transit-oriented development planning and coordination in developing a unified action plan for transit-oriented development on state transit-oriented development projects. This measure attempts to adopt the task force's recommendation in order to continue collaborative efforts on transit-oriented development in the State.

As affirmed by the records of votes of the members of your Committees on Housing and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3077 and recommend that it pass Second Reading and be referred to your Committees on Transportation and Energy and Ways and Means.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 5. Noes, none. Excused, 2 (Green, Slom).
Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Keith-Agaran, Ruderman, Slom).

SCRep. 2383 (Joint) Housing and Judiciary and Labor on S.B. No. 2090

The purpose and intent of this measure is to appropriate funds to the Department of Human Services to support the continued implementation of the State's Housing First program and expansion of the program outside of Oahu to assist residents who are chronically homeless.

Your Committees received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor, Department of Human Services, Catholic Charities Hawai'i, Mental Health America of Hawai'i, The CHOW Project, Hawaii Children's Action Network, PHOCUSED, and three individuals.

Your Committees find that the Housing First program is a collaborative effort between the Department of Human Services and the United States Department of Housing and Urban Development that provides housing and support services for chronically homeless individuals, including those who have an addiction or mental illness, or both. Housing First is a nationally recognized best practice and has been proven to be an effective approach to helping people experiencing chronic homelessness get off of the streets in several cities such as Portland, Oregon; Los Angeles, California; Denver, Colorado; Quincy, Massachusetts; and Portland, Maine. Currently, the Housing First program only serves the island of Oahu, despite the needs of individuals on the neighbor islands. This measure ensures that all individuals in the State who are chronically homeless are served.

As affirmed by the records of votes of the members of your Committees on 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. 2090 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 4. Noes, none. Excused, 3 (Green, Taniguchi, Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2384 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2667

The purpose and intent of this measure is to:

- (1) Require health insurers to promptly pay clean claims for services; and
- (2) Repeal the exemption of Medicaid claims from the clean claims definition.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Healthcare Association of Hawaii, and The Queen's Health Systems. Your Committees received comments on this measure from the Department of Human Services and 'Ohana Health Plan.

Your Committees find that a claim is "clean" when a provider has submitted complete and undisputed information for an insurer to make a payment for a service provided on a covered benefit. Your Committees further find that prompt payment of claims is vital to the operations of health care providers who rely on timely reimbursement. Delays in cash flow can jeopardize operations for all health care providers, but are especially problematic for smaller providers and those that care for a disproportionately high share of Medicaid patients.

Your Committees additionally find that under existing law, insurers must pay non-Medicaid clean claims within fifteen days of receipt of an electronic claim and within thirty days of receipt of a paper claim. However, Medicaid insurers do not have to follow these guidelines. Accordingly, this measure creates parity under the State's clean claims law and requires Medicaid insurers to promptly pay providers caring for Medicaid enrollees.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2667 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

Human Services: Ayes, 7. Noes, none. Excused, none.

SCRep. 2385 (Joint/Majority) Commerce, Consumer Protection, and Health and Human Services on S.B. No. 2478

The purpose and intent of this measure is to establish a long-term care surcharge on state general excise tax and use tax as a dedicated source of funding under the long-term care financing program.

Your Committees received testimony in support of this measure from the Policy Advisory Board for Elder Affairs; Maui County Office on Aging; Long Term Services and Supports Feasibility Study; Paraprofessional Healthcare Institute; Faith Action for Community Equity; Caring Across Generations; National Domestic Workers Alliance; Jobs with Justice, Service Employees International Union; Center for Medicare Advocacy, Inc.; National Respite Coalition; Justice in Aging; LeadingAge; Older Women's League; Pilipino Workers Center – Southern California; Advance CLASS, Inc.; Make It Work; Hand in Hand: The Domestic Employers Network; International Longshore & Warehouse Union Local 142; and over fifty individuals. Your Committees received testimony in opposition to this measure from the Hawaii Food Industry Association, Chamber of Commerce Hawaii, Hawaii Association of REALTORS, Meadow Gold Dairies, National Federation of Independent Business, and two individuals. Your Committees received comments on this measure from the Department of Taxation, Department of Budget and Finance, Executive Office on Aging, Office of Information Practices, Tax Foundation of Hawaii, Grassroot Institute of Hawaii, and AARP Hawaii.

Your Committees find that Hawaii is experiencing a rapid demographic change. Over the next two decades, the number of adults over the age of sixty-five is expected to grow by more than sixty percent. This shift in demographics is putting increased stress on families, who provide the vast majority of care for elders in Hawaii. As the population ages, more people need assistance to manage their daily needs. According to testimony received by your Committees, among people over the age of sixty-five, fifty percent have multiple chronic health conditions. For individuals over the age of eighty, one in three will develop functional limitations that will require assistance with activities of daily living, such as bathing, dressing, managing medications, and preparing meals. Your Committees further find that providing at-home support can strain the emotional, physical, and financial well-being of family caregivers. According to the AARP, when caregivers leave the workforce, they lose on average over \$300,000 in lifetime income.

Your Committees additionally find that the Long-Term Care Commission, established by the Legislature, has concluded that a mandatory limited public insurance program is the only feasible means of providing nearly all Hawaii residents with the financial support needed to access long-term care services. The Legislature has previously funded a feasibility study and a technical actuarial study for a public insurance fund with limited benefits. This measure reflects the results from that research.

According to testimony from the Long Term Services and Supports Feasibility Study, several funding options to finance the long-term care program were explored, including an income tax, payroll tax, and general excise tax surcharge. This measure proposes to establish a long-term care surcharge on state general excise tax and use tax. According to testimony, a surcharge will ensure that the program remains sustainable. This is due in part to small but not insignificant contributions from visitors to Hawaii who will likely never use the benefits from the program, but who will pay up to one-third of the fund.

Your Committees also find that this measure provides an innovative solution to helping Hawaii's families cope with the many costs of caregiving. By providing a limited benefit of \$70 per day for 365 days, this measure provides a care floor that ensures a family can hire paid support to supplement the care the family is able to provide. Your Committees further find that the program proposed by this measure is intended to provide assistance in the early months of the need for care. With a 365 service day benefit, families will be able to hire part-time caregivers for a few hours each day. Families will also be able to spread benefits out, using services as the family schedule requires. According to testimony received by your Committees, most people who need some long-term care may not use benefits for very long. Your Committees note that the program benefits established by this measure exceed the average and median length of care found in the Centers for Disease Control and Prevention National Home and Hospice Care Surveys.

Finally, your Committees note that the Department of Taxation and the Office of Consumer Protection have suggested amendments that will help the long-term care surcharge program work more efficiently under state law. Amendments to this measure incorporating these suggested improvements are therefore necessary.

Your Committees have amended this measure by:

- (1) Clarifying that the long-term care surcharge on state tax shall not apply to gross income or gross proceeds from binding written contracts entered into prior to July 1, 2015, that do not permit the passing on of increased rates of taxes;
- (2) Deleting language that provided for an additional penalty of ten percent for failure to file an additional schedule, as the long-term care surcharge applies regardless of what county in the State a person's income is sourced;
- (3) Clarifying that no long-term care surcharge on state tax shall be imposed on any use taxable under the State's use tax law at the one-half percent tax rate or upon any use that is not subject to taxation or that is exempt from the State's use tax law;
- (4) Deleting language that would have required the Director of Taxation to annually compile and provide the name, address, social security number, filing status, taxable year, and date of filing of all resident taxpayers to the board of trustees of the long-term care financing program, as this would have required the Director to disclose certain confidential taxpayer information to the board of trustees;
- (5) Clarifying that the actuarial report and the work product, papers, documents, and data used or prepared by the actuary in preparing the actuarial report shall be public records disclosable pursuant to chapter 92F, Hawaii Revised Statutes;
- (6) Requiring individuals to present to the board of trustees of the long-term care financing program a tax clearance certificate signed by the Director of Taxation for purposes of qualifying for benefit payments for long-term care services under the program;
- (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 Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2478, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2478, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

Human Services: Ayes, 5; Ayes with Reservations (Ruderman, Thielen). Noes, 2 (Riviere, Slom). Excused, none.

SCRep. 2386 (Joint) Judiciary and Labor and Commerce, Consumer Protection, and Health on S.B. No. 2664

The purpose and intent of this measure is to require health benefits plans under the Hawaii Employer-Union Health Benefits Trust Fund to include all benefits required under article 10A of chapter 431, Hawaii Revised Statutes, article 1 of chapter 432, Hawaii Revised Statutes, and chapter 432D, Hawaii Revised Statutes.

Your Committees received testimony in support of this measure from the Hawaii Medical Association and one individual. Your Committees received comments on this measure from the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committees find that health benefits plans established by the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) are exempt from new covered benefits requirements applicable to the State's insurance code. Implementation of this measure will provide equity in the State's healthcare system by ensuring that EUTF's members and their dependents have access to the same healthcare services and treatment required under state law for other contracts and plans for health care coverage.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2664 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Kidani, Ruderman).

SCRep. 2387 (Joint) Judiciary and Labor and Economic Development, Environment, and Technology on S.B. No. 2103

The purpose and intent of this measure is to:

- (1) Allow a judge or magistrate to authorize a person or entity to assist a law enforcement officer or deputy of a sheriff or chief of police with the execution of a search warrant; and
- (2) Allow the court to authorize a law enforcement officer to obtain technical assistance in the execution of a search warrant from individuals or entities who are located within or outside of the State in the examination of an electronic device or storage media.

Your Committees received testimony in support of this measure from the Department of the Attorney General; Department of the Prosecuting Attorney, City and County of Honolulu; Office of the Prosecuting Attorney, County of Kaua'i; and Police Department, City and County of Honolulu.

Your Committees find that existing law requires that a search warrant be executed by a law enforcement officer. However, there are many cases involving electronic evidence that law enforcement officers are unable to execute without specialized assistance from non-law enforcement personnel. Thus, this measure facilitates more efficient and effective investigations and searches while allowing the judge to set limitations on the manner in which the assistance is provided.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2103 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 2 (Thielen, Slom).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Espero, Keith-Agaran).

SCRep. 2388 (Joint) Judiciary and Labor and Economic Development, Environment, and Technology on S.B. No. 2107

The purpose and intent of this measure is to amend the definition of "pen register" as used in electronic eavesdropping laws to include cell phones and other communications devices among those that the numbers transmitted to and from may be recorded.

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; and Police Department, City and County of Honolulu.

Your Committees find that the existing definition of "pen register" uses dated references to devices attached to telephone lines or impulses transmitted through telephone lines. While telephone lines are still used, a far greater number of cellular devices are being used. This measure makes the definition technology neutral by updating the definition to include devices that do not use a landline but still make phone calls, such as cellular telephones, and electronic devices that make phone calls via the Internet or software applications, such as Skype, Google Voice, and iCall.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2107 and recommend that it pass Second Reading 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, 2 (Thielen, Slom).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Espero, Keith-Agaran).

SCRep. 2389 (Joint) Economic Development, Environment, and Technology and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2758

The purpose and intent of this measure is to make various changes regarding the organization, membership, and duties of the Pacific International Space Center for Exploration Systems (PISCES) to:

- (1) Allow, subject to funding, the Office of Aerospace Development to hire various positions;
- (2) Establish PISCES as a division of the Office of Aerospace Development that is to be located on the island of Hawaii;
- (3) Direct the PISCES staff to promote and market Hawaii as a research and development destination and allow PISCES to hire various positions, subject to funding;
- (4) Rename the Board of Directors of PISCES as the Advisory Board of Directors of PISCES, reduce the membership to seven members, amend the advisory board's powers and duties, and transfer various duties of the PISCES Executive Director to PISCES staff; and
- (5) Simplify PISCES' annual report contents to just a summary of PISCES' significant accomplishments and activities and the status of the development of partnerships.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Honeybee Robotics. Your Committees received testimony in opposition to this measure from the Pacific International Space Center for Exploration Systems.

Your Committees find that PISCES, located in Hilo, conducts environmentally-safe field tests on Hawaii's volcanic terrain to experiment and validate advanced space technologies, helps diversify industries in the State, and spurs development of technical jobs and high-tech job opportunities for local students. Your Committees further find that combining PISCES into one organization as an agency attached to the Office of Aerospace Development will help to continue the economic development of aerospace in the State.

Your Committees agree with the Department of Business, Economic Development, and Tourism's testimony that having both a director and executive director of the Office of Aerospace Development is redundant and unnecessary.

Your Committees have therefore amended this measure by:

- (1) Repealing the director position of the Office of Aerospace Development;
- (2) Changing the effective date to July 1, 2017;
- (3) Inserting an effective date of July 1, 2016, for the appropriation; 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 Economic Development, Environment, 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 S.B. No. 2758, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2758, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Baker, Ihara, Ruderman).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 2390 (Joint/Majority) Economic Development, Environment, and Technology and Transportation and Energy on S.B. No. 2995

The purpose and intent of this measure is to establish a business mitigation relief pilot program to assist businesses along the Honolulu rail transit project alignment that have been negatively impacted by the construction of the rail.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii, Katsumi Kazama Family Partners, and eighteen individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that the Honolulu rail transit project represents the largest capital project in the history of the City and County of Honolulu. Local businesses along the rail project alignment are currently being economically impacted by the construction of the rail project. While the Honolulu Authority for Rapid Transportation is adhering to federal and state laws that require the relocation of and advisory assistance to all businesses affected by the construction, this assistance may not be adequate.

Your Committees have concerns regarding the funding mechanism of this measure and recommend that if your Committee on Ways and Means chooses to pass this measure, that it consider requiring a portion of the surcharge on the general excise tax and use tax be designated to support business mitigation relief.

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 Economic Development, Environment, and Technology and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2995, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2995, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6; Ayes with Reservations (Baker, Ruderman, Thielen).

Noes, 1 (Slom). Excused, 2 (Galuteria, Keith-Agaran).

Transportation and Energy: Ayes, 3. Noes, 2 (Kidani, Slom). Excused, 2 (English, Nishihara).

SCRep. 2391 (Joint) Judiciary and Labor and Commerce, Consumer Protection, and Health on S.B. No. 2101

The purpose and intent of this measure is to:

- (1) Amend section 633-27, Hawaii Revised Statutes (HRS), relating to the powers of the District Courts, to:
 - (A) 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
 - (B) Expand the jurisdiction of the Small Claims Division over personal property cases to include the return of any personal property, rather than leased or rented personal property, worth \$5,000 or less;
- (2) Allow a plaintiff to request removal of a small claims case to be heard in the ordinary procedures of the District Court when a counterclaim is filed; and
- (3) Make conforming amendments to reflect the amendments made to section 633-27, HRS.

Your Committees received testimony in support of this measure from the Judiciary and one individual. Your Committees received testimony in opposition to this measure from the Collection Law Section of the Hawaii State Bar Association, Hawaii Financial Services Association, Hawaii Bankers Association, Hawaii Credit Union League, and two individuals.

Your Committees find 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 Committees note the concerns raised in testimony that this measure does not account for plaintiffs who are represented by attorneys. Many plaintiffs who retain an attorney prefer filing their cases in Regular Claims for various reasons. However, this measure would mandate all cases in which the amount claimed is \$1,000 or less to be heard in the Small Claims Division, which the testimony cautions could have a costly financial impact to the Judiciary and organizations that receive funds to serve the indigent.

Accordingly, your Committees have amended this measure by:

- (1) Adopting the language suggested by the Hawaii Financial Services Association to allow a plaintiff to file cases in either the Small Claims Division or Regular Claims Division of the District Court if the plaintiff is represented by an attorney;
- (2) Amending section 607-14.7, HRS, to prohibit the award of attorney's fees in cases for recovery amounts of \$1,000 or less exclusive of interest and costs if the plaintiff is represented by an attorney and the District Court has concurrent jurisdiction with the Small Claims Division of the District Court;
- (3) Amending section 633-34, HRS, to correct a statutory reference; 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, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2101, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2101, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

Commerce, Consumer Protection, and Health: Ayes, 5; Ayes with Reservations (Ihara). Noes, none. Excused, 2 (Kidani, Ruderman).

SCRep. 2392 (Joint) Judiciary and Labor and Commerce, Consumer Protection, and Health on S.B. No. 2219

The purpose and intent of this measure is to provide a taxpayer who hires an individual with a disability with a nonrefundable tax credit for fifty percent of the wages of the individual earned during the six-month period after the individual is initially hired by the taxpayer.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, Hawai'i Restaurant Association, and one individual. Your Committees received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committees find that employment of a person who is disabled provides the individual with economic self-sufficiency and allows the person to contribute to the community. Implementation of this measure will increase the employment opportunities for persons who are disabled and support the workforce demands of the private and public sectors.

Your Committees have amended this measure by:

- (1) Clarifying that for wages paid by an employer to a person whose certification as a person totally disabled is incorrect because it was based on false information provided by the person, the employer shall not treat those wages as qualified wages even without receiving notice that the certification has been revoked;
- (2) Inserting language to prohibit a tax deduction for the portion of wages or salaries paid or incurred for the taxable year that is equal to the amount of this proposed tax credit;
- (3) Replacing "individual with a disability" with "person totally disabled", as defined in section 235-1, Hawaii Revised Statutes;
- (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.

Your Committees have heard the testimony of the Department of Taxation expressing concerns that the income tax credit proposed by this measure is similar to an existing credit in section 235-55.91, Hawaii Revised Statutes, and that the measure does not address whether the tax credit can be claimed by succeeding employers of the person who is disabled or by subsidiaries of the original employer. Your Committees find these issues raise concerns that merit further consideration and request that your Committee on Ways and Means further examine the issues and concerns raised by the Department of Taxation.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2219, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2219, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Shimabukuro).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Kidani, Ruderman).

SCRep. 2393 Judiciary and Labor on S.B. No. 2113

The purpose and intent of this measure is to:

- (1) Establish that the preparation of absentee ballots for counting may include opening the return envelope in which the ballot is enclosed and the validation of signatures, but shall not include opening the ballot envelope;

- (2) Establish that the period for opening return envelopes and validating signatures begins from the day immediately after absentee ballots are transmitted to voters and ends on election day;
- (3) Allow official election observers to be present during the period for opening return envelopes and validating signatures;
- (4) Exclude from the period for opening return envelopes and validating signatures any absentee ballots cast at absentee polling place established at the clerk's office prior to or on election day;
- (5) Provide that the counting of absentee ballots may begin no earlier than the fifteenth day prior to an election and establish stages of absentee ballot counting;
- (6) Prohibit persons present during the counting of absentee ballots from disclosing the results;
- (7) Allow, rather than require, observation of ballot handling by an official, except for handling of absentee ballots pursuant to sections 15-9 and 15-10, Hawaii Revised Statutes (HRS);
- (8) Allow the replacing of defective ballots with new ballots to be conducted without the presence of at least two official observers; and
- (9) Repeal section 16-47, HRS, relating to the preparation of absentee ballots.

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 Kaua'i; Office of the County Clerk, County of Hawai'i; League of Women Voters of Hawaii; and one individual.

Your Committee finds that in recent years, the number of ballots cast by mail or at an absentee polling place has increased to over half of the total ballots cast in an election. Currently, all of the processing and counting of absentee ballots cast by mail occur on election day. This measure reflects the processing and counting procedures from other jurisdictions that conduct their elections by mail in order to address the increase in the number of absentee ballots received by mail in Hawaii.

Your Committee notes that while any person present during the counting of absentee ballots is prohibited from disclosing the results, this measure does not provide an enforcement mechanism. Your Committee is concerned that the integrity of the elections process may be jeopardized without a means of enforcement.

Accordingly, your Committee has amended this measure by:

- (1) Adding language that amends section 19-6, HRS, to create a misdemeanor for any person who wilfully causes the results of any absentee ballot count to become publicly known before the polls have officially closed; 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. 2113, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2113, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2394 (Joint/Majority) Higher Education and the Arts and Economic Development, Environment, and Technology and Judiciary and Labor on S.B. No. 2943

The purpose and intent of this measure is to provide the University of Hawaii with express authority to create, promote, and participate in new economic enterprises and for the commercialization of university-generated research.

Your Committees received testimony in support of this measure from the University of Hawai'i System; XLR8UH; Chamber of Commerce Hawaii; Pacific Asian Center for Entrepreneurship; Hawaii Business and Entrepreneur Acceleration Mentors; Compendio Inc.; RealGreen Power Inc.; Startup Capital Ventures; Hawaii Business Roundtable; Aloha Startups; Startup Weekend Honolulu; Hobnob; Blue Planet Software, Inc.; Hawaii Venture Capital Association; and two individuals. Your Committees received testimony in opposition to this measure from The Civil Beat Law Center for the Public Interest and one individual. Your Committees received comments on this measure from the State Procurement Office.

Your Committees find that the commercialization of innovative research conducted at the University of Hawaii holds great potential to contribute to Hawaii's economic health and workforce diversification. The University has demonstrated strengths in ocean sciences, energy research, sustainable agriculture, and astronomy, and is growing in the areas of cybersecurity and health science.

The Legislature has historically authorized public funds to support efforts by state agencies to promote entrepreneurial development, research commercialization, and access to startup investment capital. Your Committees find that one of the core functions of the University of Hawaii is conducting basic and applied research, and it would be beneficial to the State to transform university-generated research into viable economic enterprises. Currently, the lack of express legal authority for the University creates business uncertainty and deters private interests from engaging in promising concepts developed at the University.

Your Committees have amended this measure by:

- (1) Inserting language to make the confidentiality and trade secrets provision compatible with existing frameworks of the Uniform Information Practices Act and Sunshine Law while recognizing that trade secrets and confidential commercial or financial information, including confidential information regarding qualified securities purchased by the University of Hawaii, need not be publicly disclosed; 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 Higher Education and the Arts, Economic Development, Environment, and Technology, and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2943, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2943, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 2. Noes, 1 (Slom). Excused, 1 (Gabbard).

Economic Development, Environment, and Technology: Ayes, 4; Ayes with Reservations (Ihara). Noes, 1 (Slom). Excused, 4 (Baker, Espero, Ruderman, Thielen).

Judiciary and Labor: Ayes, 3; Ayes with Reservations (Kim). Noes, 1 (Slom). Excused, 2 (Gabbard, Thielen).

SCRep. 2395 (Joint) Higher Education and the Arts and Economic Development, Environment, and Technology on S.B. No. 2940

The purpose and intent of this measure is to clarify and modernize the application of state ethics principles that are set forth in the State Ethics Code to technology transfer activities sponsored by the University of Hawaii.

Your Committees received testimony in support of this measure from the University of Hawaii System, University of Hawaii Professional Assembly, High Technology Development Corporation, Chamber of Commerce Hawaii, and Hawaii Business Roundtable. Your Committees received testimony in opposition to this measure from the Hawaii State Ethics Commission and one individual.

Your Committees find that the timely and efficient commercialization of intellectual property created by the University of Hawaii's basic and applied research has valuable contributions to the economic health and diversification of the State. The Legislature has historically funded efforts by state agencies to promote entrepreneurial development, research commercialization, and access to startup investment capital. Your Committees find that the Board of Regents of the University of Hawaii has established a regulatory framework and compliance program to balance the unique benefits and ethical issues specific to university research and technology transfer, and that the program incorporates long-standing ethical research principles and technology transfer regulations currently used by the federal government. Your Committees find that clarifying sections of the State Ethics Code to exempt technology transfer activities will facilitate technology transfer at the University and benefit the State's economy.

Your Committees have amended this measure by:

- (1) Upon the recommendation of the State Ethics Commission, removing the provision exempting technology transfer activities sponsored by the University from certain sections of the State Ethics Code and replacing it with language exempting University employees who are directly involved in the research or development of technology sponsored and approved by the University from the State Ethics Code when performing technology transfer activities;
- (2) Moving the University's reporting requirement related to technology transfer activities from the State Ethics Code and inserting the requirement into the Hawaii Revised Statutes chapter relating to the University; 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 Higher Education and the Arts and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2940, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2940, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 1 (Gabbard).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Espero, Ruderman, Thielen).

SCRep. 2396 (Joint) Higher Education and the Arts and Judiciary and Labor on S.B. No. 2543

The purpose and intent of this measure is to:

- (1) Make explicit the responsibility of the University of Hawaii Community Colleges to provide short-term and rapid response occupational and certification programs designed to qualify individuals to fill new and hard-to-fill positions that require technical training; and
- (2) Appropriate funds to the University of Hawaii for occupational training and certification programs designed to rapidly qualify persons to fill new and hard-to-fill positions.

Your Committees received testimony in support of this measure from the University of Hawaii System, United Public Workers, and Chamber of Commerce Hawaii.

Your Committees find that it is important for colleges to react quickly to the modern economy by meeting the technical workforce needs of the public and private sectors. This includes filling emerging job opportunities as well as upgrading the skills of existing workers to meet the requirements of their positions that may change with advances in technology. Your Committees find that responding to workforce needs requires the development of training that is delivered rapidly and in a format other than a formal degree program.

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. 2543 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 4. Noes, none. Excused, none.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Thielen).

SCRep. 2397 (Joint) Higher Education and the Arts and Human Services on S.B. No. 3042

The purpose and intent of this measure is to appropriate funds to the University of Hawaii's Center on Aging to establish a long-term care training program to expand the State's workforce capacity for home- and community-based care.

Your Committees received testimony in support of this measure from the University of Hawai'i System, Policy Advisory Board for Elder Affairs, Hawai'i Family Caregiver Coalition, and two individuals.

Your Committees find that Hawaii's rapidly growing elderly population requires an expansion of the State's infrastructure to accommodate a broader range of home- and community-based long-term care options. Your Committees further find that a critical element for the expansion of this type of care is the development of an adequate long-term care workforce. In 2006, the Legislature appropriated funds for Kapiolani Community College to develop a long-term care program to meet the demand for long-term healthcare workers. The program was developed and run through 2014, but currently is not in operation. Your Committees received testimony indicating that the University of Hawaii Center on Aging is training numerous healthcare professionals at all levels and is equipped to expand the quality and quantity of home- and community-based long-term care workers, improve the support and training of family caregivers, and promote active aging.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3042 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 4. Noes, none. Excused, none.

Human Services: Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2398 (Joint) Higher Education and the Arts and Human Services on H.B. No. 493

The purpose and intent of this measure is to appropriate funds to the University of Hawaii to fund a permanent director and faculty specialist position within the University's Center on Aging.

Your Committees received testimony in support of this measure from the University of Hawai'i System, AARP Hawaii, Policy Advisory Board for Elder Affairs, Alzheimer's Association - Aloha Chapter, Hawai'i Family Caregiver Coalition, Hawaii Pacific Gerontological Society, Project Dana, and five individuals.

Your Committees find that the University of Hawaii's Center on Aging strives to improve the quality of life of older adults in Hawaii and has the potential to be recognized locally and nationally for its research and education endeavors. Your Committees further find that the needs of the Center on Aging have changed and the current priority is to add two faculty positions, an associate/full professor position and an assistant/associate specialist position. Your Committees find that an associate/full professor position would enhance the Center on Aging's capacity to develop and teach innovative gerontological education programs, and that an assistant/associate specialist position would allow the center to develop and implement continuing education and training programs in gerontology.

Your Committees have amended this measure by:

- (1) Updating its purpose section;
- (2) Deleting the appropriations for one full-time equivalent director and one full-time equivalent faculty specialist positions within the University of Hawaii Center on Aging;
- (3) Inserting an appropriation of \$86,532 for fiscal year 2016-2017 to fund one full-time equivalent associate/full professor position within the University of Hawaii Center on Aging;
- (4) Inserting an appropriation of \$75,924 for fiscal year 2016-2017 to fund one full-time equivalent assistant/associate specialist position within the University of Hawaii Center on Aging;
- (5) Inserting an effective date of July 1, 2016; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

If this measure is considered for passage by your Committee on Ways and Means, it is recommended that the appropriation for the assistant/associate specialist position be changed to \$88,596 to meet the needs of the Center on Aging.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 493, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 493, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 4. Noes, none. Excused, none.

Human Services: Ayes, 7. Noes, none. Excused, none.

SCRep. 2399 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2824

The purpose and intent of this measure is to:

- (1) Reduce the number of members of the Aerospace Advisory Committee from fifteen to thirteen; and
- (2) Allow members of the committee to elect their committee chair from among the committee members.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that certain membership positions within the Aerospace Advisory Committee are difficult to fill. This difficulty often results in vacancies on the committee, which makes it a challenge to achieve quorum during meetings. Additionally, the current procedure for selecting the chairperson of the committee is cumbersome and inefficient. Your Committee finds that this measure would expedite the ability of the Aerospace Advisory Committee to conduct business.

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. 2824 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2400 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3061

The purpose and intent of this measure is to:

- (1) Authorize the Director of the Hawaii Emergency Management Agency to assemble civilian community teams to assist communities during emergencies and disasters; and
- (2) Appropriate funds to support the civilian community teams program and hire a coordinator to help establish, train, and assist the teams.

Your Committee received testimony in support of this measure from the State Department of Defense, State Fire Council, and one individual.

Your Committee finds that the Federal Emergency Management Agency and emergency management organizations nationwide have moved toward the whole community approach of disaster response. This approach involves collaboration among government, military, commercial, and community organizations, including volunteers from the community. In the event of a natural disaster or other civic emergency, first responders and government agencies may be taxed to their limits. Your Committee finds that establishing trained civilian teams is a proactive measure to help communities receive the training and resource they need to help themselves during such disasters and emergencies.

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. 3061 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2401 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3112

The purpose and intent of this measure is to appropriate funds for programs, ceremonies, and activities commemorating the fiftieth anniversary of the Vietnam War.

Your Committee received testimony in support of this measure from the Department of Defense, Department of Defense Office of Veterans' Services, State Veterans Advisory Board, Hawaii 50th Anniversary of the Vietnam War Commemoration Committee, Chamber of Commerce Hawaii, Oahu Veterans Council, and eight individuals.

Your Committee finds that many individuals who served honorably in the United States Armed Services during the Vietnam War came home to a divided nation. Some of these individuals served voluntarily and some were drafted into service, but in many cases they were not welcomed home in a manner befitting their service and sacrifice. Your Committee finds that honorable and respectful commemoration of the Vietnam War's fiftieth anniversary is especially appropriate in Hawaii because during the Vietnam War Hawaii served as a rest and recuperation location for deployed troops to meet their spouses, families, and friends.

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. 3112 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2402 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 3113

The purpose and intent of this measure is to appropriate funds for the establishment of a veterans services counselor IV position within the Office of Veterans' Services to assist all veterans, with a primary focus on female veterans, who served on active duty.

Your Committee received testimony in support of this measure from the Department of Defense; Department of Defense Office of Veterans' Services; Office of Veterans' Services, Hawaii Women Veterans Subcommittee; Governor's Advisory Board on Veteran Services; State Veterans Advisory Board; The Sex Abuse Treatment Center; Planned Parenthood Votes Northwest and Hawaii; Hawaii State Commission on the Status of Women; Hawaii State Democratic Women's Caucus; Hawaii Women's Military Task Force Committee; and five individuals.

Your Committee finds that women have served honorably and courageously in the armed services of the United States since the American Revolution. At present, almost fifteen percent of the United States armed services consists of women, and female veterans are increasing exponentially in number. The needs of female veterans and the challenges that they face in getting services are often

different from those experienced by male veterans. Your Committee finds that the existing support network for veterans is not sufficient to meet the needs of female veterans. This measure will take steps to address that shortfall.

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. 3113 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2403 (Joint) Public Safety, Intergovernmental, and Military Affairs and Housing on S.B. No. 3100

The purpose and intent of this measure is to:

- (1) Authorize the Director of Finance to issue general obligation bonds to the counties for infrastructure construction related to urban renewal projects;
- (2) Allow each county to have more than one local redevelopment agency;
- (3) Repeal the specific naming requirement for local redevelopment agencies;
- (4) Require all five members of a local redevelopment agency to reside within the boundaries of an area defined by the appropriate county via resolution; and
- (5) Clarify that redevelopment projects carried out by local redevelopment agencies are public works.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii, Building Industry Association Hawaii, and Hawai'i Construction Alliance. Your Committees received comments on this measure from the Department of Budget and Finance and Department of Planning and Permitting of the City and County of Honolulu.

Your Committees find that the rail transit project presents unique opportunities for transit-oriented development, including planning for much-needed affordable and workforce housing. This measure proposes to grant counties with increased authority and access to bond financing to undertake infrastructure projects for urban renewal and redevelop blighted areas. Throughout the State, many communities could benefit from urban redevelopment efforts; however, your Committees note that concerns exist that this measure as written will create unnecessary competition between state and county projects for limited resources. Further discussion and consideration are required to address this concern.

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 Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3100, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3100, S.D. 1, and be referred to your 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 (Inouye, Slom).
Housing: Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 2404 (Joint) Economic Development, Environment, and Technology and Government Operations on S.B. No. 2807

The purpose and intent of this measure is to:

- (1) Clearly establish the Chief Information Officer as the State's information technology leader;
- (2) Delete statutory references to the Information and Communication Services Division of the Department of Accounting and General Services; and
- (3) Consolidate the Office of Information Management and Technology and the Information and Communication Services Division of the Department of Accounting and General Services, including all related information technology functions, in the Office of Enterprise Technology Services under the direction of the Chief Information Officer.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services and Office of Enterprise Technology Services.

Your Committees find that the State's management of information technology requires an effective chief information officer and clearly defined roles, duties, and responsibilities to ensure that its information technology investments are cost effective, are well utilized, are adequately planned for future growth, and have the ability to adapt to changing requirements.

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, Environment, and Technology and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2807, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2807, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Keith-Agaran, Ruderman, Thielen).
Government Operations: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

SCRep. 2405 (Joint) Human Services and Government Operations on S.B. No. 2442

The purpose and intent of this measure is to recognize celebrations of Children and Youth Day as an official state event.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, Hawai'i Afterschool Alliance, Hawaii Youth Services Network, Parents and Children Together, Planned Parenthood Votes Northwest and Hawaii, Hawaii Children's Action Network, Self-Advocacy Advisory Council, Kalihi Community Youth Violence and Gang Prevention and Intervention Task Force, and fifteen individuals. Your Committees received comments on this measure from the Hawaii State Ethics Commission.

Your Committees find that the first Sunday in October is designated as "Children and Youth Day", and the month of October is designated as "Children and Youth Month". Though they are not state holidays, they are important state celebrations. Activities of Children and Youth Day provide a unique opportunity for children, youth, and families to learn and play together. In past celebrations of Children and Youth Day on the Capitol grounds there have been two hundred or more interactive exhibits, tables, and games to educate people about nutrition, exercise, parenting, the environment, safety, employment, education, disaster preparedness, culture, and many other topics that lead to healthy lifestyles and a sustainable Hawaii. The annual event was regularly attended by 40,000 or more people each year. Celebration of our keiki is a special community gathering that encourages children and youth to learn about the joys of community service as they work side by side with kupuna. Investing in Hawaii's keiki is an investment in Hawaii's future leaders.

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 Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2442, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2442, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Harimoto, Slom).

Government Operations: Ayes, 5. Noes, none. Excused, 2 (Shimabukuro, Slom).

SCRep. 2406 Judiciary and Labor on S.B. No. 2100

The purpose and intent of this measure is to increase the number of District Court judges in the Second Judicial Circuit from three to four judges.

Your Committee received testimony in support of this measure from the Judiciary and Department of the Prosecuting Attorney, County of Maui.

Your Committee finds that 1982 was the last time the number of presiding judges in the Second Judicial Circuit was increased. Since that time, the population of the County of Maui has more than doubled. An increase in population results in an increase in caseload, particularly in the District Courts where traffic, criminal cases of misdemeanor and lesser graded offenses, small claims, and smaller civil cases are tried. District Court judges also routinely review search warrants at all hours, handle weekend review of probable cause matters, and review criminal information to determine probable cause. This measure authorizes one additional District Court judge in the Second Judicial Circuit to handle the increased caseload and enable judges to attend to other judicial responsibilities of the District Court.

Your Committee has amended this measure by:

- (1) Inserting an appropriation of \$329,496 for fiscal year 2016-2017 for one full-time equivalent District Court judge and three full-time equivalent staff positions, including related non-recurring costs, for the District Court of the Second Judicial Circuit;
- (2) Changing the effective date to July 1, 2016; 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. 2100, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2100, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2407 Judiciary and Labor on S.B. No. 3081

The purpose and intent of this measure is to appropriate funds to establish, administer, and support on-the-job training for individuals who are dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; United Public Workers, AFSCME Local 646, AFL-CIO; Chamber of Commerce Hawaii; Alexander & Baldwin, Inc.; Hawaii State AFL-CIO; Hawai'i Farm Bureau; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; International Longshore and Warehouse Union, Local 142; Maui Hotel & Lodging Association; Maui County Farm Bureau; and two individuals.

Your Committee finds that the closure of Hawaiian Commercial & Sugar Company will result in the termination of about six hundred seventy workers from March to December 2016. According to the Department of Labor and Industrial Relations, available federal funds are projected to be insufficient to serve the number of workers scheduled for layoff. This measure will supplement the limited federal funds to ensure that workers can access necessary services, including on-the-job training, when they lose their jobs.

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. 3081 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2408 Transportation and Energy on S.B. No. 3023

The purpose and intent of this measure is to establish an infrastructure development loan revolving fund to be administered by the Director of Finance.

Your Committee received testimony in support of this measure from the Office of Planning and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that transit-oriented development often requires significant capacity upgrades of existing infrastructure. Your Committee recognizes that it has a role in supporting transit-oriented development and recognizes the need to provide another financing resource without unduly draining the state budget. A no-interest loan revolving fund to provide loans for infrastructure improvements will help support transit-oriented development.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3023 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 2409 (Joint/Majority) Human Services and Commerce, Consumer Protection, and Health on S.B. No. 2961

The purpose and intent of this measure is to:

- (1) Establish a family leave insurance program, which requires employees to make contributions into a trust fund to be used to provide employees with family leave insurance benefits in order to care for a designated person; and
- (2) Expand the reach of employees that are subject to the family leave law and children and parents who may be cared for using family leave.

Your Committees received testimony in support of this measure from Hawaii State Commission on the Status of Women, Policy Advisory Board for Elder Affairs, Americans for Democratic Action Hawaii, Breastfeeding Hawaii, Family Programs Hawaii, Hawaii Family Caregiver Coalition, Hawai'i Public Health Institute, Hawaii State Coalition Against Domestic Violence, Hawaii Women's Coalition, Healthy Mothers Healthy Babies Coalition of Hawaii, Planned Parenthood Votes Northwest and Hawaii, Hawaii Children's Action Network, Hawai'i Coalition for Immigrants Rights, Women's Caucus Democratic Party of Hawai'i, and nineteen individuals. Your Committees received testimony in opposition to this measure from the Department of Public Safety, Chamber of Commerce Hawaii, National Federation for Independent Business, Society for Human Resource Management Hawaii Chapter, and International Longshore and Warehouse Union Local 142. Your Committees received comments on this measure from the Department of Labor and Industrial Relations, Democratic Party of Hawai'i, and one individual.

Your Committees find that Hawaii's working families are not adequately supported during times of caregiving and illness. The majority of Hawaii's workforce cannot afford to take unpaid leave when needing to provide care to a newborn, bond with a new child, or care for a family member with a serious health condition. Currently, the federal Family Leave Act allows for unpaid leave with job protection for up to twelve weeks for employers with fifty or more employees; however, this leaves out forty percent of the workforce in the United States. The Hawaii Family Leave Act only applies to employers with one hundred or more employees and only allows for four weeks of unpaid leave with job protection. Your Committees heard testimony on the importance of mother-baby bonding and of allowing working mothers the time necessary to recover and bond with their newborn and testimony regarding other states that have implemented paid family leave policies with no economic disadvantages to businesses. Your Committees heard testimony concerned with the large leave allowed and the adverse effect on businesses that need to cover the employee on leave.

However, your Committees also received testimony about how paid family leave has been shown to benefit businesses in California, a state that has implemented paid family leave laws. Specifically, the paid family leave laws have resulted in reduced absenteeism, increase in business revenue, retention of a better workforce, and reduction in turnover costs based on retention. Paid family leave also contributes to stronger employer-employee relations by building the bonds of trust and understanding during a time of work-life crisis or significant financial crossroads where most people in Hawaii now have to choose between losing wages or losing a job and taking care of an ill family member or tending to a newborn.

Your Committees note the concerns raised in testimony by the Department of Labor and Industrial Relations, including the burden this measure would impose on employees in the form of required contributions to the family leave trust fund, the administrative burden this measure would impose on the Department, and conflicts between this measure and existing statute. Your Committees encourage the Department of Labor and Industrial Relations to provide the information regarding temporary disability insurance and additional concerns raised in its testimony to your Committees on Judiciary and Labor and Ways and Means.

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 Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2961, as amended

herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2961, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

Commerce, Consumer Protection, and Health: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Espero, Nishihara, Ruderman).

SCRep. 2410 (Joint) Education and Economic Development, Environment, and Technology on S.B. No. 2607

The purpose and intent of this measure is to limit the ways in which the operator of a website, online service, or mobile application working with the Department of Education can use student data.

Your Committees received testimony in support of this measure from the Department of Education and Microsoft.

Your Committees find that students in Hawaii's schools are growing up in a world that is increasingly interconnected through the Internet, mobile phones, tablets, and other applications of information technology. Improper handling of information technology can cause a user's personal information to become available to other parties who may misuse that data for a wide range of purposes. Students have a reasonable expectation that software, applications, and other information services provided by their school or the Department of Education will be responsibly regulated and free of unnecessary risk. However, your Committees also note the existence of concerns that this measure as proposed is overly broad and requires revision.

Your Committees have amended this measure by:

- (1) Adding language clarifying that content, software, application, and service providers have a duty to make a good faith effort to protect covered student information; 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 Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2607, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2607, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 2 (Harimoto, Slom).

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Espero, Keith-Agaran, Ruderman).

SCRep. 2411 Water, Land, and Agriculture on S.B. No. 1125

The purpose and intent of this measure is to provide the Board of Land and Natural Resources with the discretion to grant easements for less than fair market value for encroaching structures that were authorized by an appropriate regulatory agency and originally constructed landward of the shoreline and within the record boundary of an oceanfront property but are now, due to the dynamic nature of the location of the shoreline, located within the shoreline area.

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 Office of Planning.

Your Committee finds that any structures located seaward of the shoreline location, as determined by the Department of Land and Natural Resources, are considered encroachments upon public land. When an encroachment is discovered, it may be resolved by either removal or obtaining an easement from the Department of Land and Natural Resources, even if the structure was located within the record boundary of the landward property at the time of construction. Additionally, pursuant to sections 171-13 and 171-17(b), Hawaii Revised Statutes, easements granted by the Board of Land and Natural Resources under these circumstances require compensation at fair market value. This reading of the law has caused the Department of Land and Natural Resources to be named as a party in claims regarding structures, improvements, and debris in the shoreline area that was once private property, which has led to an increased strain on the Department's resources.

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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1125, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1125, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 2412 (Joint) Transportation and Energy and Economic Development, Environment, and Technology on S.B. No. 2947

The purpose and intent of this measure is to authorize the issuance of general obligation bonds and make an appropriation for the development of an electrolysis process hydrogen production, storage, and dispensing facility and appropriate funds for the operation of the facility.

Your Committees received testimony in support of this measure from the Department of Transportation, High Technology Development Corporation, Blue Planet Foundation, Servco Pacific Inc., and two individuals. Your Committees received comments on

this measure from the Department of Business, Economic Development, and Tourism; Department of Budget and Finance; and The Alliance of Automobile Manufacturers.

Your Committees find that this measure supports the development of hydrogen infrastructure. Hydrogen transportation supports both the decarbonization of the transportation sector as well as being an enabler of increased penetration of intermittent renewable energy. This measure provides funding to initiate hydrogen production and dispensing, which are critical infrastructure required to support the fleet vehicle upgrades planned by the Department of Transportation's Airports Division.

Your Committees have amended this measure by:

- (1) Authorizing the high technology special fund to receive appropriations and other funds required to be deposited by statute;
- (2) Requiring that appropriations made out of the high technology special fund for the development of an electrolysis process hydrogen facility be matched dollar-for-dollar by private enterprise or private entities; and
- (3) Requiring the High Technology Development Corporation to adopt administrative rules for the establishment, collection, and deposit into the high technology special fund of fees for the sale of certain commercially available hydrogen.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2947, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2947, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (English, Nishihara).

Economic Development, Environment, and Technology: Ayes, 7; Ayes with Reservations (Baker, Ihara, Ruderman, Thielen, Slom). Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 2413 (Joint) Transportation and Energy and Economic Development, Environment, and Technology on S.B. No. 2828

The purpose and intent of this measure is to provide enterprise zone incentives for qualified renewable energy technology business activity on real property owned by the Natural Energy Laboratory of Hawaii Authority.

Your Committees received testimony in support of this measure from the Department of Taxation; Department of Business, Economic Development, and Tourism; and Natural Energy Laboratory of Hawaii Authority.

Your Committees find that this measure will assist businesses in the renewable energy sector and increase the potential for job growth in West Hawaii. The enterprise zone program will see an increase in applications for enterprise zone status, thus attracting new businesses to the State.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2828 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (English, Nishihara).

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Galuteria, Keith-Agaran, Thielen).

SCRep. 2414 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on S.B. No. 2683

The purpose and intent of this measure is to allow lessors of rental motor vehicles to pass on to lessees a vehicle license recovery fee.

Your Committees received testimony in support of this measure from The Hertz Corporation, Enterprise Holdings LLC, and Avis Budget Group. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs.

Your Committees find that existing law permits rental car companies to recover from rental car customers certain mandatory government fees, for the purpose of making a vehicle road-ready. However, the prorated formula is calculated over a period of three hundred sixty-five days, which results in a significant portion of the fees going unrecovered. This is partially because rental cars are rented significantly less than one hundred percent of the time.

Your Committees further find that other states, including California, have enacted laws that allow rental car companies to pass on to consumers an amount closer to the full recovery of mandatory government fees.

Your Committees have amended this measure by:

- (1) Removing language expanding the category of fees that can be recovered;
- (2) Removing the addition of a definition of "vehicle license recovery fee" from statute;
- (3) Reducing the pro rata apportionment of the vehicle license and registration fee and weight taxes that may be passed on from 1/365th to 1/300th of the annual fees and taxes;
- (4) Requiring the motor vehicle rental industry to report to the Legislature prior to the 2019 Regular Session concerning the effect of this measure on the average vehicle license recovery fee charged to each customer on each motor vehicle rental, the profit margin of each motor vehicle rental, and the actual time in service of each motor vehicle rental;
- (5) Inserting an effective date of July 22, 2022, to encourage further discussion; and

- (6) Inserting a three-year sunset.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2683, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2683, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

SCRep. 2415 (Joint) Hawaiian Affairs and Water, Land, and Agriculture on S.B. No. 2582

The purpose and intent of this measure is to:

- (1) Appropriate funds to the Kaho'olawe Island Reserve Commission for projects such as the restoration and preservation of the natural, cultural, and historic resources of the Kaho'olawe island reserve and its meaningful and safe use by the people of Hawaii; and
- (2) Require the Kaho'olawe Island Reserve Commission to submit a financial self-sufficiency and sustainability plan to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017.

Your Committees received testimony in support of this measure from the Kaho'olawe Island Reserve Commission, Department of Planning for the County of Maui, Aha Moku Advisory Committee of the Department of Land and Natural Resources, Conservation Council for Hawai'i, Pacific American Foundation, Maui Planning Department, and twenty-seven 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 two individuals.

Your Committees find that the Kaho'olawe Island Reserve Commission is integral to the restoration and preservation of the natural, cultural, and historic resources of the Kaho'olawe island reserve, which itself is of significant cultural and historic importance to the native people of Hawaii. Your Committees therefore find that funding and ensuring the financial stability of the Kaho'olawe Island Reserve Commission are essential to the restoration and preservation of the Kaho'olawe island reserve.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2582 and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (Kim, Slom).

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 2416 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.B. No. 3108

The purpose and intent of this measure is to:

- (1) Ban, as of July 1, 2016, permitting for new underground storage tanks within one hundred yards of the shoreline; and
- (2) Prohibit, as of January 1, 2030, operation of and renewal of a permit for an underground storage tank within one hundred yards of the shoreline.

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 received testimony in opposition to this measure from Aloha Petroleum, Ltd.; Hawaii Petroleum Marketers Association; and Par Hawaii.

Your Committees find that climate change is real and that sea level rise poses a threat to Hawaii's quality of life. Immediate preparation for sea level rise will protect natural resources and save money in the long term. Your Committees further find that the inundation of underground storage tanks poses risks to the aquifer as well as coastal water quality and marine ecosystems.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3108 and recommend that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 8. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2417 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.B. No. 2448

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Invasive Species Council to adopt rules to change its invasive species list; and
- (2) Authorize an agent of the Hawaii Invasive Species Council to enter affected premises of private property, under specific conditions, to control or eradicate invasive species.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Office of Hawaiian Affairs, The Nature Conservancy, O'ahu Invasive Species Committee, American Bird Conservancy, and one individual. Your Committees received testimony in opposition to this measure from five individuals. Your Committees received comments on this measure from the Landscape Industry Council of Hawai'i and one individual.

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 further find that albizia, *Falcataria moluccana*, is an invasive species that presents a costly threat to the economy, critical infrastructure, and public safety on the island of Hawaii due to the likelihood of albizia trees falling. 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; therefore, proactive efforts should continue to manage albizia trees to ensure safety in a cost-effective manner.

Your Committees have amended this measure by:

- (1) Inserting language to prohibit the inclusion of domesticated pet species on the invasive species list;
- (2) Inserting an appropriation to the Department of Land and Natural Resources Division of Forestry and Wildlife for use by the Big Island Invasive Species Committee for the immediate coordinated management of albizia trees on the island of Hawaii;
- (3) Inserting an effective date of July 1, 2016, for the appropriation; 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 Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2448, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2448, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

SCRep. 2418 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.B. No. 2988

The purpose and intent of this measure is to appropriate funds to research and develop new methods of preventing and treating macadamia felted coccid infestations.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, University of Hawai'i System, Land Use Research Foundation of Hawaii, Hawai'i Farm Bureau, Hawaii Macadamia Nut Association, Royal Hawaiian Orchards, and six 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 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 vital macadamia nut industry.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2988 and recommend that it pass Second Reading and be referred to your Committees on Higher Education and the Arts and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

SCRep. 2419 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.B. No. 2379

The purpose and intent of this measure is to establish and appropriate funds for a pilot pesticide treatment coupon project, within the existing little fire ant program, and a little fire ant site map.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, University of Hawai'i System, Hawai'i Farm Bureau, Hawai'i Association of REALTORS, and one individual.

Your Committees find that the little fire ant, *Wasmannia auropunctata*, threatens native biodiversity, alters tropical ecosystems, impairs human health, impedes tourism, diminishes agricultural productivity, mars horticulture sales, and accordingly ranks among the world's worst invasive species. The County of Hawaii has been affected most by the little fire ant. The University of Hawaii, the County of Hawaii, and the Department of Agriculture must collaborate to develop and implement effective measures to address the impacts of the little fire ant in the County of Hawaii. Your Committees therefore find that the Department of Agriculture needs resources to be more proactive and aggressive in implementing its current little fire ant program.

Your Committees have amended this measure by:

- (1) Amending section 1 to better reflect the purpose of 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 Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2379, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2379, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 8. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2420 (Joint/Majority) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.B. No. 2799

The purpose and intent of this measure is to restructure the Hawaii Invasive Species Council into a new entity, the Hawaii Invasive Species Authority, to be administratively attached to the Department of Agriculture.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Transportation, Department of Agriculture, Hawaii Invasive Species Council, Conservation Council for Hawai'i, Coordinating Group on Alien Pest Species, O'ahu Invasive Species Committee, Kaua'i Invasive Species Committee, The Nature Conservancy, and two individuals. Your Committees received testimony in opposition to this measure from Animal Rights Hawai'i.

Your Committees find that the invasion of Hawaii by insects, disease-bearing organisms, snakes, weeds, and other pests is the single greatest threat to Hawaii's economy and natural environment and to the health and lifestyle of Hawaii's people. In 2003, the Legislature created the Hawaii Invasive Species Council, an interagency board mandated to provide policy-level direction and coordination on invasive species issues, co-chaired by the Chairpersons of the Board of Land and Natural Resources and the Board of Agriculture. The authorizing legislation for the council did not create staff positions or a revenue source. Your Committees further find that despite many successes, mitigation of invasive species threats and impacts often remains fragmented between agencies and is insufficiently supported through interagency data collection and management, public pest reporting, interagency response coordination, and statewide public outreach.

Your Committees have amended this measure by:

- (1) Inserting language to require the Hawaii Invasive Species Authority to adopt a list of invasive species by rule pursuant to chapter 91; 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 Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2799, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2799, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, 1 (Slom). Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 6. Noes, 1 (Slom). Excused, 2 (Dela Cruz, Shimabukuro).

SCRep. 2421 Commerce, Consumer Protection, and Health on S.B. No. 2661

The purpose and intent of this measure is to:

- (1) Clarify that when a unit owner and association reach a payment plan to cure a nonjudicial foreclosure, completion of the payment plan is required to cure the default;
- (2) Prohibit an association from converting unpaid fines into fees that may cause a unit owner to default; and
- (3) Require mediation by a unit owner and association over disputed fines before a foreclosure can be commenced.

Your Committee received testimony in support of this measure from two individuals. Your Committee received testimony in opposition to this measure from Associa. Your Committee received comments on this measure from the Community Associations Institute.

Your Committee finds that under existing law, if an association of apartment owners starts a nonjudicial foreclosure against a unit owner and the owner pays off the delinquency or proposes a payment plan that the association accepts, the association is supposed to rescind the notice of foreclosure and not proceed. However, proposing a payment plan is not sufficient on its own to cure a default. This measure clarifies that if an owner merely proposes a payment plan, the notice of nonjudicial foreclosure is not rescinded, but rather put on hold until the owner completes the payment plan.

Your Committee has heard the concerns regarding language in this measure that requires any dispute over fines owed by a unit owner to an association to be resolved through mediation before foreclosure proceedings are commenced. Your Committee understands that this requirement may conflict with the pay first, dispute later provision in Hawaii's condominium laws, which prohibits unit owners from withholding any assessment claimed by an association. Therefore, your Committee concludes that clarifying the pay first, dispute later provision is appropriate at this time.

Your Committee notes that existing law states that an association cannot pursue nonjudicial foreclosure against any unit solely due to fines, penalties, legal fees, or late fees. Encouraging mediation when association assessments other than common expense assessments are in dispute, and prior to any foreclosure process being initiated, would be beneficial to associations and condominium owners.

Your Committee also notes that interested stakeholders have been in discussions and have come to an agreement on consensus language for this measure. The consensus language is intended to assist condominium owners and associations when there are issues regarding nonpayment or disputes regarding penalties or fines, late fees, late filing fees, or other charges in an assessment, including common expense assessments. Your Committee further finds that the consensus language is intended to amend Hawaii's pay first, dispute later provisions within the State's condominium code, to make it clear that common area maintenance fees, also known as common expense assessments, are the only fees that must be paid prior to initiating a dispute. All other penalties or fines, late fees, lien filing fees, or other charges in an assessment can be submitted to mediation prior to payment.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that if a unit owner and an association have agreed on a payment plan to prevent a nonjudicial foreclosure from proceeding, any fines the association imposes on the unit owner while the payment plan is in effect shall not be deemed a default under the payment plan;
- (2) Clarifying the obligations of a unit owner and an association while a unit owner is not otherwise in default under a payment plan;
- (3) Clarifying that a condominium owner who receives a demand for payment from an association may request a written statement about the assessment from the association, which shall include certain information, including the amount of any penalty or fine, late fee, lien filing fee, or other charge included in the assessment that is not imposed on all apartment owners as a common expense;
- (4) Clarifying that the pay first, dispute later provisions in Hawaii's condominium law apply only to common expense assessments claimed by an association of apartment owners;
- (5) Clarifying that a unit or apartment owner who receives a demand for payment from an association and disputes the amount of an assessment may request a written statement about the assessment from the association, which shall include certain information, including that a unit or apartment owner:
 - (A) Has no right to withhold common expense assessments for any reason;
 - (B) May demand mediation or arbitration regarding common expense assessments; provided that the common expense assessment is paid in full; and provided further that payment in full of a common expense assessment shall not prevent an owner from contesting the common expense assessment or receiving a refund of amounts not owed; and
 - (C) Who contests any penalty or fine, late fee, lien filing fee, or other charges in an assessment, except for a common expense assessment, may demand mediation prior to paying those charges;
- (6) Specifying that a unit or apartment owner may file in small claims court or require mediation to resolve disputes concerning the amount or validity of an association's common expense claim, if certain conditions are met;
- (7) Specifying the time frame in which a demand for mediation on contested charges, except for common expense assessments, must be brought and completed and prohibiting an association from attempting to collect disputed charges until the association has participated in the mediation;
- (8) Repealing language that allowed associations to convert delinquent fines and late fees into delinquent common expense assessments, if certain conditions were met;
- (9) Making conforming amendments; and
- (10) Making other 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2661, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2661, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 2422 Commerce, Consumer Protection, and Health on S.B. No. 2317

The purpose and intent of this measure is to:

- (1) 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; and
- (2) Make an appropriation for the Department of Health to implement and operate the Hawaii maternal mortality review panel.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, American Congress of Obstetricians and Gynecologists, Hawaii Medical Association, Hawai'i Public Health Association, Planned Parenthood Votes Northwest and Hawaii, Hawaii State Coalition Against Domestic Violence, and Healthy Mothers Healthy Babies. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that Hawaii is one of only thirteen states without a multi-disciplinary professional panel to review pregnancy-related deaths. Comprehensive multidisciplinary reviews of maternal deaths are needed to understand risk factors for and prevent the deaths of mothers during pregnancy, labor, and the year following the birth of a child, and to inform policy makers and the establishment and administration of relevant programs. It is estimated that up to fifty percent of all maternal deaths are preventable, thus maternal mortality review panels are integral to saving the lives of women who are pregnant or within one year after a pregnancy. Findings from review panels guide the creation of treatment protocols, education campaigns, and standardization of pregnancy care, leading to more lives saved.

Your Committee further finds that comprehensive multidisciplinary reviews of child deaths, as performed in the past by the Hawaii child death review system that was established by Act 369, Session Laws of Hawaii 1997, are needed to understand risk factors for and prevent future child deaths and keep children in the State of Hawaii safe and healthy. The Hawaii child death review system was intended to produce in-depth, accurate, and timely administration of child health and protection programs and appropriate data reporting to federal and state agencies. However, the system has been inactive since 2011 and consequently, these important child death reviews are not currently being conducted in the State.

Your Committee has amended this measure by:

- (1) Inserting findings that outline the importance of comprehensive multidisciplinary reviews of child and maternal deaths;
- (2) Deleting language that would have established the maternal mortality review panel, including provisions related to members, duties, access to information, and confidentiality of information;
- (3) Inserting language to require the Director of Health to submit an annual report to the Legislature on the status of child death reviews by the Department;
- (4) Inserting language to require the Director of Health to submit an annual report to the Legislature on the status of maternal death reviews by the Department;
- (5) Requiring any person, hospital, sanitorium, nursing or rest home, or other similar medical facility to provide information or other materials relating to the condition and treatment of any person to the maternal and perinatal mortality study committee of the Hawaii Medical Association, any in-hospital staff committee, or the Department of Health for studies to reduce morbidity or mortality;
- (6) Deleting an appropriation for \$10,000 for the implementation and operation of the Hawaii maternal mortality review panel;
- (7) Inserting an appropriation for \$150,000 for the Department of Health to conduct child death reviews and to implement a program for the performance of maternal death reviews; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2317, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2317, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 2423 Water, Land, and Agriculture on S.B. No. 2351

The purpose and intent of this measure is to:

- (1) Prohibit the creation of a condominium property regime on agricultural land twenty-five acres or greater; and
- (2) Prohibit the subdivision of agricultural land twenty-five acres or greater for the purpose of creating a condominium property regime.

Your Committee received testimony in support of this measure from the Land Use Commission, Waimanalo Agricultural Association, Farm Link Hawai'i, and twenty-three individuals. Your Committee received testimony in opposition to this measure from McCandless Ranch; Larry Jefts Farms, LLC; Associa Hawaii; Hawai'i Association of REALTORS; Hawaii Cattlemen's Council, Inc.; Ponoholo Ranch Limited; Mahukona Ranch LLC; and three individuals. Your Committee received comments on this measure from the Department of Agriculture, Office of Planning, and GoFarm Hawaii.

Your Committee finds that agricultural lands are a limited resource within the State that should be used for agricultural purposes. Currently, the condominium property regime process may be used to subdivide large agricultural lots into parcels that are too small for agricultural purposes, thus leading to the development of "gentleman farms", which are low density, large subdivisions. Your Committee further finds that this use of the condominium property regime process allows for significant abuse and costs to the State and counties, and limits the public's right to have impacts reviewed and mitigated; therefore, your Committee supports limitations on the use of the condominium property regime process.

Your Committee has amended this measure by:

- (1) Inserting language to prohibit a condominium property regime on any parcel of agricultural land from being later amended to allow for residential dwellings;
- (2) Inserting language to amend section 205-4.5, Hawaii Revised Statutes, to prohibit the creation of any residential project as a condominium or planned community association on class A or B agricultural lands; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2351, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2351, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Slom).

SCRep. 2424 Water, Land, and Agriculture on S.B. No. 2451

The purpose and intent of this measure is to:

- (1) Clarify that any person who violates:
 - (A) Section 183-17, Hawaii Revised Statutes, timber trespass in forest reserves, shall be guilty of a misdemeanor; or
 - (B) A provision of part II of chapter 183, Hawaii Revised Statutes, forest reserves, or any rule adopted pursuant thereto, other than section 183-17, Hawaii Revised Statutes, shall be guilty of a petty misdemeanor; and
- (2) Repeal the general penalty provision in section 183-4, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that Hawaii's forest resources are precious and limited resources worthy of the State's protection. Currently, forest resource thefts are occurring on state lands. Your Committee further finds, as noted in the Department of Land and Natural Resources' testimony, that current statutory fines for the harvesting of koa trees and other trees and plants do not discourage theft because the current value of such forest products far exceeds the dollar amount of the fines.

Your Committee has therefore amended this measure by:

- (1) Inserting language to amend the administrative fines for destroying or harvesting koa trees and other trees and plants under section 183-5(c), Hawaii Revised Statutes, to be an amount less than or equal to the current market value of the koa tree or other tree or plant destroyed or harvested; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2451, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2451, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 2425 Water, Land, and Agriculture on S.B. No. 2795

The purpose and intent of this measure is to align the environmental response, energy, and food security tax with its original intent by reallocating a portion of the tax from the general fund to the Agribusiness Development Corporation to fund the acquisition of agricultural land.

Your Committee received testimony in support of this measure from the Hawaii Cattlemen's Council and Hawai'i Farm Bureau. Your Committee received comments on this measure from the Department of Agriculture, Department of Budget and Finance, Agribusiness Development Corporation, and Tax Foundation of Hawaii.

Your Committee finds that the Agribusiness Development Corporation is an agency administratively attached to the Department of Agriculture and tasked with transitioning fallow plantation land into cropland to provide economic opportunities for diversified agriculture operations. Your Committee further finds that there is no fund or entity dedicated to conserve and protect agricultural lands pursuant to Article XI, section 3, of the Constitution of the State of Hawaii. Your Committee has heard the Agribusiness Development Corporation's testimony and agrees that the funds appropriated by this measure would be best administered by the Department of Agriculture, which has a broader perspective on agriculture in the State and is therefore better suited to administer the program set forth in this measure.

Your Committee has amended this measure by:

- (1) Deleting references to the Agribusiness Development Corporation;
- (2) Deleting the amendments to section 163D-17, Hawaii Revised Statutes, which establishes the Hawaii agricultural development revolving fund;
- (3) Establishing an agricultural land acquisition fund under chapter 141, Hawaii Revised Statutes;
- (4) Designating 10 cents of the environmental response, energy, and food security tax per barrel under section 243-3.5, Hawaii Revised Statutes, to the agricultural land acquisition fund, rather than the Hawaii agricultural development revolving fund;
- (5) Requiring that any monies deposited into the agricultural land acquisition fund shall be expended at the sole discretion of the Chairperson of the Board of Agriculture for the acquisition, administration, maintenance, and management of agricultural lands; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2795, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2795, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 2426 Water, Land, and Agriculture on S.B. No. 2453

The purpose and intent of this measure is to:

- (1) Repeal the prohibition on suspension or waiver of fines for violations of certain aquatic resource laws;
- (2) Authorize the court to require a person who violates certain laws pertaining to aquatic resources to complete an aquatic resources educational class administered by the Department of Land and Natural Resources in lieu of or in addition to paying a monetary fine; and
- (3) Authorize the court to require a person who violates certain laws pertaining to aquatic resources to perform community service administered by the Department of Land and Natural Resources in lieu of paying a monetary fine.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Judiciary, Office of Hawaiian Affairs, Hawaii's Thousand Friends, Conservation Council for Hawai'i, The Nature Conservancy of Hawai'i, Mālama Pūpūkea-Waimea, and five individuals. Your Committee received testimony in opposition to this measure from The Snorkel Bob Foundation and one individual.

Your Committee finds that educational programs and community service opportunities are effective sentencing alternatives to specifically address resource offenses and violators. Educational programs and community service opportunities deter future violations, enhance public knowledge about Hawaii's resources, and ensure that punishment for resource violations is appropriate. Your Committee further finds that an educational curriculum that provides a broad overview of aquatic resource statutes and regulations as well as information about closed seasons, restricted areas, and methods of extraction, already exists and would be easily implemented.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2453 and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 2427 (Joint/Majority) Government Operations and Higher Education and the Arts on S.B. No. 2399

The purpose and intent of this measure is to require, for purposes of an exemption from civil service laws, all state agencies to obtain the Governor's written approval on a request for, amendment to, or supplement to the Research Corporation of the University of Hawaii's services for a project.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and Hawaii Government Employees Association, AFSCME, Unit 8 Board. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources, University of Hawaii Professional Assembly, Auwahi Forest Restoration Project, and seventy-eight individuals. Your Committees received comments on this measure from the University of Hawai'i System, Chamber of Commerce Hawaii, and one individual.

Your Committees find that in the June 2015, Office of the Auditor's Report No. 15-07, the Auditor found that the Research Corporation of the University of Hawaii (RCUH) allows state agencies to secure services without the approval of the Governor, as required by the Master Agreement between the State and RCUH. Implementation of this measure codifies what currently is in the Master Agreement and will improve oversight of projects to ensure the integrity of the services provided by RCUH.

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 Government Operations 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. 2399, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2399, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4. Noes, none. Excused, 3 (Ihara, Keith-Agaran, Tokuda).
Higher Education and the Arts: Ayes, 3. Noes, 1 (Kidani). Excused, none.

SCRep. 2428 (Joint) Government Operations and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2495

The purpose and intent of this measure is to require:

- (1) Every government procurement officer to attend initial training by the State Procurement Office within sixty days of being appointed or named to the position of procurement officer;

- (2) Every government procurement officer or the officer's designee to attend follow-up training and development sessions, as determined by the State Procurement Office; provided that a procurement officer who is unable to attend a follow-up or development session may be excused by the State Procurement Office; and
- (3) The State Procurement Office to conduct mandatory follow-up training and development sessions at regular intervals of at least once every twelve months.

Your Committees received testimony in support of this measure from the State Procurement Office. Your Committees received comments on this measure from the Department of Human Resources Development.

Your Committees find that a strong training program for the State's procurement officers is an essential component in the delivery of procurement knowledge and skills. Implementation of this measure will ensure more effective and efficient procurements and allow the State to develop a more proficient workforce of procurement professionals who expend public funds in a manner that is compliant with applicable statutes, rules, and policies.

Your Committees have amended this measure by:

- (1) Requiring the chief procurement officer, or the officer's designee, of each jurisdiction to annually submit, in the form and manner prescribed by the State Procurement Office, a list of the jurisdiction's procurement officers and which procurement officers, if any, have failed to comply with training requirements; and
- (2) Prohibiting procurement by a procurement officer who fails to submit their name and evidence of training compliance to the State Procurement Office.

As affirmed by the records of votes of the members of your Committees on 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. 2495, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2495, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Keith-Agaran, Shimabukuro).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 2429 (Joint) Government Operations and Judiciary and Labor on S.B. No. 2542

The purpose and intent of this measure is to:

- (1) Require each state executive agency that manages a state-owned building, facility, or other improvement to submit to the Legislature an annual report on the funds and positions deemed necessary by the agency to perform routine repair and maintenance on the state-owned building, facility, or other improvement during the fiscal year covered by the report;
- (2) Authorize an executive budget act or supplemental budget act to provide that the unexpended or unencumbered balance of an appropriation for routine repair and maintenance for a fiscal year shall not lapse at the end of that fiscal year; and
- (3) Require every capital improvement project for the construction of a new state-owned building, facility, or other improvement to include a recommended plan for the routine repair and maintenance of the building, facility, or other improvement prepared by the project contractor.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services; United Public Workers, AFSCME, Local 646, AFL-CIO; and two individuals. Your Committees received comments on this measure from the Department of Budget and Finance and Department of Human Resources Development.

Your Committees find that the deferred maintenance of state-owned buildings, facilities, and other improvements leads to more expensive capital replacement or renewal costs in the future. Implementation of this measure will promote transparency and preserve the condition of state-owned buildings, facilities, and other improvements for public use or benefit, now and into the future.

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. 2542, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2542, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 5. Noes, none. Excused, 2 (Shimabukuro, Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2430 (Joint) Government Operations and Judiciary and Labor on S.B. No. 3102

The purpose and intent of this measure is to authorize the Department of Business, Economic Development, and Tourism to develop, and any state agency to enter into, and implement inter-agency agreements without entering into a memorandum of agreement or memorandum of understanding.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and one individual.

Your Committees find that duplicate agency programs result in an ineffective use of resources. Inter-agency agreements provide agencies with an opportunity to coordinate resources and eliminate unnecessary duplication without having to enter into a

memorandum of agreement or memorandum of understanding. Implementation of this measure will streamline and expedite agreements between state agencies.

Your Committees have amended this measure by:

- (1) Inserting a purpose section to reflect its purpose;
- (2) Requiring, rather than authorizing, the Department of Business, Economic Development, and Tourism to develop, and any state agency to enter into, and implement inter-agency agreements without entering into a memorandum of agreement or memorandum of understanding;
- (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 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. 3102, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3102, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 5. Noes, none. Excused, 2 (Shimabukuro, Slom).

Judiciary and Labor: Ayes, 6. Noes, none. Excused, none.

SCRep. 2431 Commerce, Consumer Protection, and Health on S.B. No. 2688

The purpose and intent of this measure is to prohibit, beginning January 1, 2017, the sale or offering for sale of certain e-liquid containers for electronic smoking devices unless the container is child-resistant and, if the container is for an e-liquid product containing nicotine, is labeled with warning language.

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, VOLCANO Fine Electronic Cigarettes, and Black Lava Vape. Your Committee received testimony in opposition to this measure from eight individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that according to the Centers for Disease Control and Prevention, calls to poison control centers across the country related to exposure to nicotine in cigarettes have grown considerably since 2010. Poison experts warn that concentrated nicotine in liquid form is significantly toxic, even in small doses, as poisonings related to e-liquid containers can occur when nicotine is inhaled or absorbed through the skin or eyes.

Your Committee further finds that the packaging and use of electronic smoking devices are potentially hazardous to the health of Hawaii residents, including Hawaii's children, yet many liquids for electronic smoking devices are offered in flavors and scents that are appealing to children. There are currently no packaging requirements for the sale of e-liquid containers. Stringent packaging and labeling requirements for e-liquid containers will protect young children from inadvertent exposure to the contents of electronic smoking device cartridges and also inform consumers whether an e-liquid product contains nicotine, a highly addictive substance.

Your Committee has amended this measure by:

- (1) Inserting additional labeling requirements for e-liquid product packaging;
- (2) Inserting language that establishes e-liquid packaging standards in the Hawaii Poison Prevention Packaging Act pursuant to chapter 330C, Hawaii Revised Statutes;
- (3) Expanding the definition of "hazardous substance" as used in the Hawaii Poison Prevention Packaging Act to include e-liquid; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2688, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2688, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2432 (Joint/Majority) Water, Land, and Agriculture and Transportation and Energy on S.B. No. 2936

The purpose and intent of this measure is to allow the Department of Transportation to negotiate the disposition of lands under its jurisdiction and control for aeronautical, airport-related, maritime, and maritime related operations without the approval of the Board of Land and Natural Resources and under certain conditions.

Your Committees received testimony in support of this measure from the Department of Transportation, Airlines Committee of Hawaii, Airport Concessionaires Committee, and Hawaiian Airlines. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs, Ka Lāhui Hawai'i Political Action Committee, and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources and Hawai'i Farm Bureau.

Your Committees find that numerous parcels of public lands have been set aside specifically for airport and harbor use and placed under the jurisdiction of the Department of Transportation, which is required to obtain approval from the Board of Land and Natural

Resources prior to leasing any facilities located on such lands. Your Committees note that this approval process may cause delays; however, there are concerns that public input and comment currently afforded through the Board of Land and Natural Resources' public hearing process would be bypassed if the Department of Transportation were to negotiate the disposition of these public lands under its control without prior Board approval.

Your Committees have therefore amended this measure by:

- (1) Inserting a sunset date of July 1, 2021;
- (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 Water, Land, and Agriculture and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2936, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2936, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 4; Ayes with Reservations (Shimabukuro). Noes, 1 (Riviere). Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

Transportation and Energy: Ayes, 4; Ayes with Reservations (Chun Oakland). Noes, none. Excused, 3 (English, Kidani, Slom).

SCRep. 2433 (Joint/Majority) Water, Land, and Agriculture and Transportation and Energy on S.B. No. 2937

The purpose and intent of this measure is to authorize the Department of Transportation to issue revocable permits for public land set aside to the Department of Transportation without prior approval of the Board of Land and Natural Resources.

Your Committees received testimony in support of this measure from the Department of Transportation, Airlines Committee of Hawaii, and Airport Concessionaires Committee. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs, Ka Lāhui Hawai'i Political Action Committee, and two individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources and Hawai'i Farm Bureau.

Your Committees find that numerous parcels of public lands have been set aside specifically for airport and harbor use and placed under the jurisdiction of the Department of Transportation, which is required to obtain approval from the Board of Land and Natural Resources prior to issuing revocable permits for any facilities located within airports and harbors. Your Committees note that this approval process may cause delays and potential revenue loss; however, there are concerns that public input and comment currently afforded through the Board of Land and Natural Resources' public hearing process would be bypassed if the Department of Transportation were to issue revocable permits without prior Board approval.

Your Committees have amended this measure by:

- (1) Clarifying the authority the Board of Land and Natural Resources has over issuing permits when such permits pertain to revocable permits for public land set aside to the Department of Transportation;
- (2) Inserting a sunset date of July 1, 2021;
- (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, Land, and Agriculture and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2937, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2937, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 4; Ayes with Reservations (Shimabukuro, Thielen). Noes, 1 (Riviere). Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

Transportation and Energy: Ayes, 4; Ayes with Reservations (Chun Oakland). Noes, none. Excused, 3 (English, Kidani, Slom).

SCRep. 2434 (Joint) Housing and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2343

The purpose and intent of this measure is to:

- (1) Prohibit any county and the Hawaii Public Housing Authority from limiting the number of tenants in the section 8 housing choice voucher program that may occupy a single tax map key property, regardless of the number of units comprising the tax map key; and
- (2) Clarify that in a tax map key comprised of three units each unit may have one section 8 tenant.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the City and County of Honolulu, Department of Community Services. Your Committees received comments on this measure from the Hawaii Public Housing Authority.

Your Committees find that obtaining affordable rental housing is a challenge for many families. The federal subsidy program known as the housing choice voucher program, or section 8 housing program, assists families struggling with rent payments by

covering seventy percent of a tenant's rent. While this program has enabled some residents to find housing opportunities at an affordable cost, there have been issues concerning renting out multiple units on a single tax map key property to multiple section 8 tenants. This measure clarifies these issues in hopes of freeing up more housing units to those who are struggling to afford rental housing.

Your Committees have amended this measure by:

- (1) Deleting the proposed statutory amendments to chapter 46 and section 356D-31, Hawaii Revised Statutes;
- (2) Specifying that no county shall disqualify a legal nonconforming dwelling unit from the housing choice voucher program if the unit meets zoning and building code requirements and other program standards for health and safety; and
- (3) Specifying that the Hawaii Public Housing Authority shall not disqualify a legal nonconforming dwelling unit from the housing choice voucher program if the unit meets zoning and building code requirements and other program standards for health and safety.

As affirmed by the records of votes of the members of your Committees on 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. 2343, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2343, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 4. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2435 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.B. No. 2174

The purpose and intent of this measure is to limit the number of sea urchins that may be harvested without a permit, and to authorize the Department of Land and Natural Resources to issue permits for harvesting of sea urchins above that limit.

Your Committees received testimony in support of this measure from the Aha Moku Advisory Committee, Conservation Council for Hawai'i, and Animal Rights Hawai'i. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that sea urchins are an important component of the marine ecosystem of Hawaii. Sea urchins are considered a delicacy in many areas of the world, and large scale commercial harvesting could have a similar devastating effect on populations of sea urchins as it has had on populations of sea cucumbers, which have recently been overharvested prompting the adoption of emergency rules by the Department of Land and Natural Resources. Your Committees therefore find that protections for sea urchins should be established proactively, rather than reactively.

Your Committees have amended this measure by:

- (1) Inserting language to exempt native Hawaiian gathering rights and cultural practices from the prohibitions proposed by this measure; and
- (2) Amending language to restrict any person from taking, collecting, or harvesting three or more sea urchins within a one-day period, rather than a seven-day period.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2174, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2174, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

SCRep. 2436 Human Services on S.B. No. 907

The purpose and intent of this measure is to establish a universal children's savings account program in the Department of Budget and Finance to promote financial education and assist children with purchasing a home or starting a business later in life.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which modified the measure by:

- (1) Clarifying the purpose of the program, which is to give children in Hawaii invested funds to assist them with purchasing a home, starting a business, or obtaining higher education;
- (2) Allowing families participating in the universal children's savings account program to establish accounts that can accumulate savings and interest or dividends from various investments;
- (3) Requiring the Department of Budget and Finance to adopt rules to determine appropriate types of investment portfolios used by the program;
- (4) Applying the appropriation to fiscal year 2016-2017, rather than fiscal year 2015-2016, and making the appropriation effective on July 1, 2016;
- (5) Changing the effective date to July 1, 2017; and

- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee received comments on the proposed S.D. 1 from the Department of Budget and Finance and Department of Human Services.

Your Committee finds that universal children's savings and investment accounts, which facilitate the compounding of interest and growth of investments, would help families to start saving at birth for their child's future. Your Committee also finds that 34 percent of Hawaii's middle class families are asset poor, which means they lack the resources to subsist at the poverty level for three months if they lose their source of income. Further, students with savings are significantly more likely to pursue a higher education than those without. Children's savings and investment accounts increase expectations for the future, provide children and families with opportunities for economic mobility, serve as an educational tool in regard to learning about investing, and allow for the building of meaningful savings while learning about money and finance. Educating and encouraging families to create savings accounts, which may include a diverse investment portfolio of stocks, bonds, or mutual funds, for children accordingly contribute to the economic viability of Hawaii's citizens.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Clarifying that the universal children's savings account program also includes investment accounts, from which interest and dividends can be used for any purpose that assists in building a positive financial future, including but not limited to starting a business, purchasing a home, or obtaining higher education;
- (2) Removing the requirement for the Department of Budget and Finance to adopt rules to determine the minimum amount of state matching funds to deposit into each qualifying account;
- (3) Requiring the Department of Budget and Finance to adopt rules to determine procedures and criteria for depositing funds into the investment fund;
- (4) Deleting the appropriation of general revenues into the universal children's savings account trust fund;
- (5) Requiring the Department of Budget and Finance to include in its next biennium budget request an appropriation for the amount necessary to administer the 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 that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 907, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 907, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 2437 Water, Land, and Agriculture on S.B. No. 2355

The purpose and intent of this measure is to:

- (1) Authorize the Land Use Commission to amend, modify, or vacate boundary amendment approvals, special permit approvals, and conditions of direct state concern granted pursuant to chapter 205, Hawaii Revised Statutes, if the commission finds a failure to substantially meet conditions of direct state concern, to be specified by the commission at the time it approves, denies, or modifies a boundary amendment or special permit; and
- (2) Allow the Land Use Commission to fine parties who fail to comply with conditions of direct state concern after they have been notified of violations of the conditions.

Your Committee received testimony in support of this measure from the Office of Planning; Land Use Commission; Hawaii's Thousand Friends; Conservation Council for Hawaii'i; Ho'omana Pono, LLC; Sierra Club of Hawaii'i; and nine individuals. Your Committee received comments on this measure from the Building Industry Association of Hawaii and Chamber of Commerce Hawaii'i.

Your Committee finds that currently the only remedy available to the Land Use Commission when a petitioner fails to perform according to the conditions and requirements of a land use district boundary amendment or special permit is to grant an order to show cause pursuant to section 15-15-93, Hawaii Administrative Rules. Your Committee finds that additional tools are necessary for the Land Use Commission to enforce conditions and requirements of land use district boundary amendments and special permits in a manner that ensures that the interests of the State, counties, and public are protected.

Your Committee has amended this measure by:

- (1) Inserting a definition for the term "substantial commencement" in section 205-4(g), Hawaii Revised Statutes, to mean completion of all public improvements and infrastructure required by conditions imposed, both within and outside the project area, and completed construction of twenty percent of the physical private improvements such that they are usable or habitable;
- (2) Deleting language that would have authorized the Land Use Commission to amend, modify, or vacate boundary amendment approvals and conditions of direct state concern under certain conditions;
- (3) Inserting language to allow the Land Use Commission on its own motion or on the motion of any interested party to vacate, void, modify, or amend boundary amendment approvals and conditions of direct state concern granted pursuant to chapter 205, Hawaii Revised Statutes;
- (4) Deleting language that would have authorized the Land Use Commission to amend, modify, or vacate special permit approvals and conditions of direct state concern under certain conditions;

- (5) Inserting language to allow the Land Use Commission on its own motion or on the motion of any interested party to vacate, void, modify, or amend any special permit and conditions of direct state concern granted pursuant to chapter 205, Hawaii Revised Statutes;
- (6) Requiring conditions of direct state concern relating to boundary amendments and special permits to include conditions that protect the state marine and terrestrial environment and protect archaeological features and burial grounds, and conditions relating to the public trust doctrine;
- (7) Increasing the maximum fine for failure to substantially meet the conditions of direct state concern relating to boundary amendments and special permits from \$10,000 to \$50,000 per day; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2355, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2355, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 2438 Water, Land, and Agriculture on S.B. No. 2659

The purpose and intent of this measure is to establish an industrial hemp pilot program to allow the cultivation of industrial hemp and distribution of its seed in Hawaii through limited activities by the Board of Agriculture for purposes of agricultural or academic research.

Your Committee received testimony in support of this measure from the Department of Agriculture; University of Hawai'i System; Maui Farmers Union United; Kihei Community Association; Laakea Community LLC; The Drug Policy Forum of Hawai'i; Hawaii Advocates for Consumer Rights; Life of the Land; The Haiku Aina Permaculture Initiative; Maui Farmers Union United; Ho'omana Pono, LLC; Hawai'i Farm Bureau; Maui Coffee Association; 'Ai Pohaku; Sanctuary of Mana Ke'a Gardens; We Are One; Soul Role; The Spirit of Aloha Botanical Gardens; Nellie's Rentals; National Hemp Association; and one hundred one individuals.

Your Committee finds that industrial hemp is well suited to Hawaii's climate and soil and can grow to over ten feet in a short period of time with little water and no pesticides. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products grew to over \$620,000,000 annually in 2014. Industrial hemp has over 25,000 uses, including food, fiber, and fuel products, and has high potential to contribute to the future viability of the State's agricultural industry.

Your Committee has amended this measure by:

- (1) Requiring the Board of Agriculture to adopt rules concerning industrial hemp production no later than July 1, 2017, rather than November 1, 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2659, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2659, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Wakai, Slom).

SCRep. 2439 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2917

The purpose and intent of this measure is to:

- (1) Create an exemption from the requirement for an environmental assessment for a jail facility to be built adjacent to Halawa Correctional Facility;
- (2) Reduce the public comment period for certain projects to develop or expand certain in-state correctional facilities to reduce prison or jail overcrowding; and
- (3) Appropriate funds for the purchase of jail facilities to relocate the Oahu Community Correction Center adjacent to the Halawa Correctional Facility.

Your Committee received testimony in support of this measure from the Department of Public Safety, Building Industry Association Hawaii, and Chamber of Commerce Hawaii. Your Committee received testimony in opposition to this measure from Ho'omana Pono, LLC; Community Alliance on Prisons; Life of the Land; Sierra Club of Hawaii; and four individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the existing Oahu Community Correctional Center facility is deteriorating, outmoded, and inefficient. The facility is severely overcrowded and not sufficient for the correctional needs of the State. Additionally, the facility's close proximity to residential neighborhoods, commercial enterprises, and industrial areas makes the location better suited for other uses. For these reasons, your Committee finds that a new community correctional center facility should be constructed. Your Committee also finds that the development of a new community correctional center facility should not be exempt from the required environmental assessment or have a shortened period of public comment.

Your Committee has amended this measure by:

- (1) Providing additional flexibility in the Department of Public Safety's procurement methods for development or expansion of in-state correctional facilities;
- (2) Removing language exempting the proposed development of a new community correctional facility from the requirement for an environmental assessment;
- (3) Removing language reducing the period of public comment before expansion or construction;
- (4) Increasing the capacity of the proposed facility from 1,000 to 1,250 beds;
- (5) Expanding the use of the appropriated funds to the construction, development, leasing, and otherwise providing for jail facilities; 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 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. 2917, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2917, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2440 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2411

The purpose and intent of this measure is to:

- (1) Establish requirements for body-worn cameras and vehicle cameras for county police departments; and
- (2) Appropriate funds as a grant-in-aid to each county for the purchase of body-worn video cameras and law enforcement vehicle cameras; provided that no funds appropriated to a county shall be expended unless they are matched dollar-for-dollar by the county.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the State of Hawaii Organization of Police Officers. Your Committee received comments on this measure from the Office of Information Practices and the American Civil Liberties Union of Hawaii.

Your Committee finds that an increasing number of jurisdictions are addressing the issue of body-worn cameras and vehicle cameras being used by law enforcement officers. Body-worn cameras and vehicle cameras are useful for collecting evidence by police officers for use in court, as well as resolving incidents of alleged misconduct by officers. Your Committee finds that the public and law enforcement agencies are likely to benefit from the use of body-worn cameras and vehicle cameras by officers, but your Committee also notes testimony on this measure expressing concern that the measure as proposed does not provide sufficient policy guidelines for the use of body-worn cameras or vehicle cameras by police officers.

Your Committee has amended this measure by:

- (1) Replacing language requiring police departments to adopt policies for the use of body-worn cameras with language from H.B. No. 1738 (Regular Session of 2016) setting out procedures for the use and discontinuation of use of body-worn cameras by law enforcement officers and adding a related definition;
- (2) Inserting language from H.B. No. 1738 to add further prohibitions on the use of body-worn cameras by on-duty police officers, add retention and deletion requirements for body-worn camera footage, prohibit certain uses of body-worn camera video footage, and establish violations of recording and retention requirements; 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. 2411, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2411, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2441 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2304

The purpose and intent of this measure is to require the Department of the Attorney General to maintain a publicly accessible database of all state and county law enforcement officers who are terminated or forced to resign due to criminal activity, improper behavior, or misconduct.

Your Committee received testimony in support of this measure from the Department of Public Safety; Department of Human Resources Development; Department of Land and Natural Resources; Ho'omana Pono, LLC; American Civil Liberties Union Hawai'i; Hawaii State Coalition Against Domestic Violence; and sixteen individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that effective applicant screening of prospective officers is vital to the compelling duty of state and county law enforcement agencies to protect the public. If the screening process fails and untrustworthy individuals become law enforcement officers, the public can be harmed and public trust in law enforcement can deteriorate. A public database of officers who have been terminated or forced to resign due to misconduct will give law enforcement agencies valuable information for screening applicants.

Your Committee notes that this measure, as proposed, is in conflict with existing law. Information regarding officers whose termination is still pending under appeal is protected by the privacy exception of the Uniform Information Practices Act. While this information should be timely available to law enforcement agencies considering an applicant, it should not be made publicly available until the appeals process is concluded.

Your Committee has amended this measure by:

- (1) Adding language to provide that information relating to officers whose termination is pending under appeal will not be made public until the appeals process is concluded; 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. 2304, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2304, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2442 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2147

The purpose and intent of this measure is to establish an alternative incarceration pilot program, which will use electronic monitoring for selected persons to be released into the community in lieu of incarceration.

Your Committees received testimony in support of this measure from Ho‘omana Pono, LLC; Community Alliance on Prisons; and six individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Public Safety, Judiciary, and Hawaii Paroling Authority.

Your Committees find that prison overcrowding is a chronic problem in Hawaii. With the exception of inmates serving mandatory sentences, many persons could be released from incarceration into the community if they are required to wear electronic monitoring devices. Additionally, many nonviolent offenders could be sentenced to probation if electronic monitoring programs were expanded. The cost to monitor a person is much less than the cost required for incarceration, and existing law permits the use of electronic monitoring in intermediate sentencing as an alternative to incarceration. If remote monitoring is expanded, the overcrowding of Hawaii’s correctional facilities could be mitigated. Additionally, your Committees find that global positioning system monitoring devices offer significant cost benefits over traditional electronic monitoring devices.

Your Committees have therefore amended this measure by:

- (1) Changing the proposed pilot program to use global positioning system monitoring devices instead of electronic monitoring devices; 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 Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2147, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2147, S.D. 1, and be referred to your 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.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2443 (Joint) Water, Land, and Agriculture and Judiciary and Labor on S.B. No. 2647

The purpose and intent of this measure is to improve coordination between state and other government authorities as encouraged in section 183D-8, Hawaii Revised Statutes, and to remove any potential conflicts of law that unintentionally make Hawaii an attractive market for illegal wildlife trafficking by:

- (1) Prohibiting the sale, offering to sell, purchase, trade, or barter of any part or product from various animal and marine species;
- (2) Imposing penalties for violations of the prohibition on trafficking animal parts and products; and
- (3) Authorizing the Board of Land and Natural Resources to impose specific administrative fines for wildlife law violations.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Humane Society of the United States, Vulcan Inc., West Hawaii Humane Society, Humane Society International, Global March for Elephants and Rhinos, Action for Elephants UK, Hawaiian Humane Society, Conservation Council for Hawai‘i, Animal Welfare Institute, Nsefu Wildlife Conservation Foundation, and fifty-seven individuals. Your Committees received testimony in opposition to this measure from Hawaii Rifle Association, Elephant Protection Association, Whaler’s Locker’ Inc., and four individuals.

Your Committees find that the trafficking of animals threatened with extinction continues to grow at an alarming pace and ranks as the fourth most lucrative criminal activity behind narcotics, counterfeiting, and human trafficking. According to a 2008 study, Hawaii was the nation’s third largest market for ivory, after New York and California, which have both recently passed legislation to shut down their in-state markets for ivory, which means that without passage of this measure Hawaii may soon be the largest ivory market in the United States. Your Committees further find that the International Fund for Animal Welfare partnered with the Wildlife Conservation Society, Vulcan Inc., Natural Resources Defense Council, and Humane Society International to conduct a six-day investigation. The investigation of Hawaii’s online ivory trade found approximately \$1,200,000 worth of ivory and related wildlife products for sale in Hawaii, with the vast majority of retailers failing to provide documentation that would indicate these sales are legal under federal law.

Your Committees find that it is important to demonstrate Hawaii's continuing leadership in global conservation challenges, such as international wildlife trafficking and endangered species protection, and prohibit the market for threatened animal species parts and products with few exceptions.

Your Committees have amended this measure to mirror the changes in H.B. No. 2502, H.D. 1 (Regular Session of 2016), a substantially similar measure, by:

- (1) Deleting the term "evidencing provenance" from the antique and musical instrument exemption provisions;
- (2) Increasing the allowable amount of a covered animal species part or product in an antique or musical instrument from ten percent to twenty percent;
- (3) Inserting language to exempt a covered animal species part or product that is less than twenty percent of a legally purchased and possessed firearm or knife;
- (4) Inserting language to exempt a covered animal species part or product that is a fixed component or components of a larger manufactured item and is not, in its current form, the primary source of value of the item;
- (5) Deleting language that would have authorized the Board of Land and Natural Resources to impose specific administrative fines for wildlife law violations, as that language was stated in S.B. No. 2647, since it is unnecessary as section 183D-12, Hawaii Revised Statutes, already allows for administrative fines;
- (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 Water, Land, and 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. 2647, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2647, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Ruderman, Wakai, Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2444 (Joint) Education and Commerce, Consumer Protection, and Health on S.B. No. 2976

The purpose and intent of this measure is to transfer the licensing and regulation program for private trade, vocational, and technical schools from the Department of Education to the Department of Commerce and Consumer Affairs.

Your Committees received testimony in support of this measure from the Department of Education and Office of the Auditor. Your Committees received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs, Travel Institute of the Pacific, Hawaii Institute of Hair Design, Pacific Center for Awareness and Bodywork, and twelve individuals.

Your Committees find that the Department of Education currently has the responsibility to license and regulate trade, vocational, and technical schools. Section 302A-425, Hawaii Revised Statutes (HRS), prohibits any such school from operating prior to being licensed by the Department of Education. Act 57, Session Laws of Hawaii 1998, amended section 302A-425, HRS, to change its purpose from ensuring educational and instruction quality to also include consumer protection. Protecting the public from such harmful practices is often in the purview of the Department of Commerce and Consumer Affairs. For that reason, licensure and regulation of trade, vocational, and technical schools should be transferred to the Department of Commerce and Consumer Affairs. However, your Committees note that significant work remains to be done before the Department of Commerce and Consumer Affairs is ready to assume the responsibility of licensing and regulating these types of schools. Your Committees expect that the Department of Education and Department of Commerce and Consumer Affairs will cooperate to ensure that when the transfer occurs in 2018, it will proceed smoothly and without disruption to the public.

Your Committees have amended this measure by:

- (1) Making the transfer effective as of July 1, 2018; 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 Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2976, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2976, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 1 (Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2445 (Joint) Education and Commerce, Consumer Protection, and Health on S.B. No. 2557

The purpose and intent of this measure is to:

- (1) Expand the concussion educational program to include youth athletic activities for participants aged four to eighteen and incorporate additional program requirements; and
- (2) Appropriate funds to develop and implement the educational program and to administer concussion testing to high school athletes.

Your Committees received testimony in support of this measure from the Chancellor of the University of Hawaii System, University of Hawaii College of Education, American Physical Therapy Association, Hawaii High School Athletic Association, Hawaii Athletic Trainers' Association, and Positive Coaching Alliance. 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 Education.

Your Committees find that concussions are a common athletic injury that can have severe repercussions on the health and future of student athletes. Act 197, Session Laws of Hawaii 2012, required the Department of Education and the Hawaii High School Athletic Association to develop a concussion educational program for high school students. This program would also be beneficial for athletes in Hawaii's middle schools. Additionally, your Committees note that the source of monies in the neurotrauma special fund is limited.

Your Committees have amended this measure by:

- (1) Changing the grade and age range of the activities covered by the measure to grades six to twelve and ages eleven to eighteen;
- (2) Changing the source of the appropriation for the concussion education program to general funds rather than the neurotrauma special fund; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2557, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2557, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 1 (Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2446 (Joint) Education and Commerce, Consumer Protection, and Health on S.B. No. 2387

The purpose and intent of this measure is to require a child to provide written documentation of a physical examination performed within twelve months prior to attending seventh grade at a public school.

Your Committees received testimony in support of this measure from the Department of Education, University of Hawaii System, University of Hawaii College of Education, Hawaii Primary Care Association, Hawaii Public Health Institute, American Academy of Pediatrics, and one individual. Your Committees received comments on this measure from the Department of Health.

Your Committees find that school physical examinations are currently only conducted upon entry into the public school system. This usually occurs in kindergarten. As a child grows and begins to mature, latent health issues may arise or become more serious. Encouraging regular physical examinations promotes a culture of wellness and preventative health care, and is in the public interest. Additionally, physical examinations are appropriate at the seventh grade because that grade level also corresponds to immunization requirements.

Your Committees have amended this measure by:

- (1) Replacing the requirement for written documentation from a medical professional that a child is undergoing a physical examination with certification by a child's parents or guardians that the child has an appointment for an examination;
- (2) Adding language requiring the Department of Education to notify the parents or guardians of a child of the required physical examination as soon as practicable once the child leaves sixth grade; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2387, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2387, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 1 (Harimoto).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2447 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2111

The purpose and intent of this measure is to appropriate funds to the Department of the Prosecuting Attorney of the City and County of Honolulu for the career criminal prosecution unit.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Department of the Prosecuting Attorney for the County of Maui, Department of the Prosecuting Attorney for the City and County of Honolulu, and Office of the Prosecuting Attorney for the County of Hawaii.

Your Committees find that a substantial and disproportionate amount of serious crime is caused by a relatively small number of multiple and repeat felony offenders. Such individuals are commonly known as career criminals. The career criminal prosecution program was established to support efforts by prosecuting attorneys to pursue such individuals, but funding for the program has declined since its inception. Your Committees find that funding the career criminal prosecution program is in the public interest.

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. 2111 and recommend that it pass Second Reading and be referred to your 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.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2448 Judiciary and Labor on S.B. No. 3034

The purpose and intent of this measure is to propose an amendment to the Hawaii State Constitution that:

- (1) Affords certain constitutional rights to victims of crimes and their surviving family members beginning at the time of their victimization;
- (2) Allows crime victims to assert and enforce crime victims' rights in any trial or appellate court;
- (3) Authorizes the Legislature to enact laws to further define, implement, and preserve the proposed constitutional rights of crime victims; and
- (4) Adds the definitions of "surviving family members" and "victim".

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; Department of the Prosecuting Attorney, City and County of Honolulu; Office of the Prosecuting Attorney, County of Kaua'i; American Association of University Women in Hawaii; Catholic Charities Hawai'i; Child & Family Service; The Children's Alliance of Hawaii; Domestic Violence Action Center; Marsy's Law Hawaii; The Pacific Alliance to Stop Slavery; Parents And Children Together; The Sex Abuse Treatment Center; Visitor Aloha Society of Hawaii; Mothers Against Drunk Driving; YWCA of Hawai'i Island; and forty-seven individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety, Office of the Public Defender, American Civil Liberties Union of Hawai'i, and two individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that the basic bill of rights for victims and witnesses under chapter 801D, Hawaii Revised Statutes, ensures that all victims and witnesses of crimes are treated with dignity, respect, courtesy, and sensitivity and that these rights are honored and protected by law enforcement agencies, prosecutors, and judges in a manner no less vigorous than the protections afforded criminal defendants. However, Hawaii is one of eighteen states without constitutional protections for crime victims. By elevating these statutory rights to constitutionally protected rights, this measure assures victims of crimes will be honored and protected without diminishing the rights of those accused.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Prosecuting Attorney of the City and County of Honolulu that:
 - (A) Affords certain rights to a crime victim or a deceased victim's surviving immediate family members, which the Department believes are essential, including the right to restitution; to be notified of major developments in a case; to be present at all public court proceedings, except when the court determines that the crime victim's testimony will be materially affected; to be consulted regarding proposed plea agreements; to be heard at all criminal justice proceedings that involve sentencing, incarceration, or release of the offender; and to be treated with courtesy, fairness, and respect for their dignity and privacy throughout the criminal justice process;
 - (B) Specifies that the court ensure that the crime victims or their surviving family members are afforded their rights in any court proceedings involving an offense against a crime victim;
 - (C) Specifies that a crime victim's exercise of constitutional rights shall not be grounds for dismissing any criminal proceeding or setting aside any conviction or sentence;
 - (D) Establishes that the proposed constitutional rights do not create any cause of action for compensation or damages against the State or any of its political subdivisions, or any employees of the State or any of its political subdivisions;
 - (E) Extends the Legislature's authority to enact laws to further implement proposed constitutional rights of crime victims to juvenile proceedings;
 - (F) Clarifies that none of the proposed constitutional rights of crime victims shall be construed to supersede the constitutional rights of any accused person or offender;
 - (G) Replaces the term "surviving family members" with the term "surviving immediate family members" and specifies that the term "major developments" may be defined by law; and
 - (H) Makes conforming amendments to the constitutional question to reflect the proposed constitutional rights granted to a crime victim or a deceased victim's surviving immediate family members; and
- (2) Amending further the proposed language suggested by the Department of the Prosecuting Attorney of the City and County of Honolulu by:
 - (A) Condensing the preamble under section 1;
 - (B) Specifically, clarifying that surviving immediate family members of a deceased crime victim are those persons who are defined by law;
 - (C) Replacing the term "offender" with "accused person" for persons who are pre-adjudicated and "defendant" for persons who are adjudicated, as applicable, and reserving the term "offender" for persons who are post-adjudicated;
 - (D) Broadening the requirement that the court afford a fair opportunity to the crime victim to be heard on the issue of the defendant's disposition before sentencing to all court cases rather than only circuit court cases;

- (E) Limiting other opportunities for the crime victim to be involved in sentencing to be provided by law;
- (F) Including deceased victim's surviving immediate family members as those who are allowed to assert and have their constitutional rights enforced;
- (G) Specifying that the terms "victims", "surviving immediate family members", "major developments", and "involuntarily hospitalized" may be defined by law;
- (H) Making conforming amendments to the constitutional questions to reflect these further amendments; and
- (I) Making 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. 3034, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3034, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2449 Judiciary and Labor on S.B. No. 2924

The purpose and intent of this measure is to:

- (1) Amend section 231-18, Hawaii Revised Statutes (HRS), to allow disclosure of tax return information to the Department of the Attorney General, federal, state, or local officials, and other persons in specified situations; and
- (2) Amend section 235-116, HRS, to clarify that all information filed under chapter 235, HRS, with any state agency is confidential.

Your Committee received testimony in support of this measure from the Department of the Attorney General and Department of Taxation. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the Department of Taxation is authorized to disclose tax return information to duly accredited federal, state, and local tax officials. This measure clarifies some of the common, specific instances where the Department of Taxation may disclose tax return information. However, your Committee has concerns regarding the types of federal, state, or local agencies and personnel that are authorized to receive tax return information and the purposes for which these agencies and personnel are authorized to use the information.

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. 2924, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2924, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2450 Judiciary and Labor on S.B. No. 2880

The purpose and intent of this measure is to appropriate funds to the Department of Public Safety, Department of Land and Natural Resources, Department of Defense, and Department of Accounting and General Services to establish civil service positions.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services; Department of Public Safety; Department of Human Resources Development; Department of Land and Natural Resources; and United Public Workers, AFSCME, Local 646, AFL-CIO.

Your Committee finds that in *Konno v. Hawaii County*, 937 P. 2d 397 (1997), the Hawaii Supreme Court held that state civil service laws allow only civil service employees to perform work historically and customarily done by civil service employees. In June 2015, following years of litigation related to the *Konno* ruling, the United Public Workers and the State's executive branch entered into a letter of understanding that includes the requirement that departments identify positions and resources needed to enable contracted work to be performed by civil service employees. Implementation of this measure will support state agency operations as part of a mediated process to address the objections of the United Public Workers.

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. 2880, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2880, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2451 Judiciary and Labor on S.B. No. 2841

The purpose and intent of this measure is to require the State and counties to make their required contributions to the Employees' Retirement System (ERS) on a monthly basis or in advance in an amount greater than the amount payable for the current fiscal quarter.

Your Committee received testimony in support of this measure from the Employees' Retirement System.

Your Committee finds that under existing law, employer contributions to the ERS are required to be made on a monthly basis. While advance payment is not prohibited, existing law may be interpreted to require an employer who makes an advance contribution to the ERS to also make monthly payments even if the advance payment covered the required monthly payment amount. Implementation of this measure provides clarity regarding state and county contributions to the ERS and provides the ERS with the opportunity to invest funds sooner for greater investment returns by removing any disincentives to employers for making advance payments.

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. 2841 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2452 Judiciary and Labor on S.B. No. 2527

The purpose and intent of this measure is to:

- (1) Establish the Hawaii employment advancement right now (EARN Hawaii) program to administer grants to strategic industry partnerships for job skills training;
- (2) Require the Department of Labor and Industrial Relations to:
 - (A) Develop and implement a state employment advancement strategy and a uniform and easily accessible statewide "Train Hawaii" website to promote available training programs, including those under the EARN Hawaii program;
 - (B) Submit an annual report to the Legislature regarding the EARN Hawaii program; and
 - (C) Convene a working group of stakeholders to advise on the initial development and implementation of the EARN Hawaii program; and
- (3) Appropriate funds for the EARN Hawaii program.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations and one individual.

Your Committee finds that a strategy is needed to help businesses cultivate the skilled workforce necessary for competition and to ensure Hawaii employers have the talent they need to compete and grow. By establishing the EARN Hawaii program, this measure addresses the demands of businesses by focusing on the workforce needs of a specific industry sector over a sustained period; addresses the needs of workers by creating formal career paths to good jobs, reducing employment barriers, and sustaining or increasing middle class jobs; and encourages mobility for Hawaii's hard-to-serve populations through career readiness training.

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. 2527 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, none.

SCRep. 2453 Judiciary and Labor on S.B. No. 2496

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 2018 primary election, to additionally implement elections by mail in each county with a population of less than 500,000, beginning with the 2022 primary election, and, beginning in 2022, to conduct all federal, state, and county primary, special primary, general, special general, and special elections by mail;
- (2) Allow a registered voter to request an absentee ballot or permanent absentee ballot in lieu of receiving an election by mail ballot package;
- (3) Establish an elections by mail system, including procedures for conducting elections by mail and counting of mail-in ballots;
- (4) Provide places of deposit for personal delivery of mail-in ballots and a limited number of voter service centers in each county that would remain open on the day of election to receive personal delivery of absentee, permanent absentee, and mail-in ballots, accommodate voters with special needs, and provide other services;
- (5) Establish procedures for postponed elections and prohibit the disclosure of election results within a precinct where an election has been postponed until voting for the postponed election has concluded;
- (6) Make conforming amendments to existing laws relating to elections to reflect and implement an elections by mail program;
- (7) Allocate and designate the expenses and responsibilities for elections by mail;

- (8) Appropriate funds out of general revenues for the Office of Elections to implement and administer an election by mail program; and
- (9) Require the Office of Elections to submit a report to the Legislature prior to the convening of each Regular Session from 2017 until 2023, regarding the implementation and administration of the election by mail program.

Your Committee received testimony in support of this measure from the Office of Elections. Your Committee received testimony in opposition to this measure from the Libertarian Party of Hawaii. Your Committee received comments on this measure from the 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 transition to conducting elections by mail through a phased-in approach.

Your Committee notes the suggestions made via testimony of the Office of Elections and the Office of the City Clerk of the City and County of Honolulu regarding implementation of an election by mail system, voter service centers, absentee ballots, and electronic transmission of ballots. Your Committee further notes other elections-related measures currently moving through the legislative process that could impact and strengthen this measure.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the suggestion made by the Office of Elections and Office of the City Clerk of the City and County of Honolulu to establish a two-phase, rather than three-phase election by mail system with the Office of Elections implementing elections by mail in a county with a population of less than 100,000, beginning with the 2018 primary election, and implementing elections by mail in each of the other counties for all elections, beginning with the 2020 primary election;
- (2) Clarifying that a registered voter may request an absentee ballot or permanent absentee ballot in lieu of receiving an election by mail ballot if the registered voter is in a county that has not yet implemented elections by mail and establishing that an absentee ballot-only election may continue to be conducted;
- (3) Changing the time period for the county clerk to mail ballot packages to registered voters from no earlier than thirty days before the date of the election to no earlier than eighteen days and not later than fourteen days before the date of election, and establishing that this timeframe does not affect the responsibilities of the Chief Election Officer with respect to uniform military and overseas voters;
- (4) Establishing that a voter may cast a mail-in ballot by mail, personal delivery to any place of deposit no later than 6:00 p.m. on the day preceding the date of the election, or personal delivery to any voter service center no later than the closing time provided by law on the date of the election;
- (5) Adding language that:
 - (A) Specifies duties for the county clerk to perform upon receipt of a replacement ballot;
 - (B) Specifies procedures for a voter to cast a mail-in ballot and replacement ballot;
 - (C) Establishes procedures regarding the deficient return of identification envelopes, including providing a five-day correction period beyond the date of the election for envelopes with deficient signatures; and
 - (D) Provides for the electronic transmission of ballots under certain circumstances;
- (6) Changing the time period in which the counting of mail-in ballots may begin from seven days to ten days before the election;
- (7) Establishing that each county clerk, after consultation with the Chief Election Officer, shall designate at least one location in the county to serve as a voter service center and allowing the office of the clerk of each respective county or any other locations that the clerk deems necessary to serve as a voter service center;
- (8) Authorizing the Chief Election Officer and county clerks to designate and provide for places of deposit if locations and apparatus can be securely maintained throughout the period of use for each election;
- (9) Allocating the expenses and responsibilities of the Office of Elections and the counties based on the various types of election contests under the election by mail program;
- (10) Amending the definitions under section 11-1, Hawaii Revised Statutes (HRS), to:
 - (A) Delete the definition of "election by mail ballot package";
 - (B) Add the definition of "electronic transmission"; and
 - (C) Amend the definition of "voter service center" to include the purposes that voter service centers are required to serve;
- (11) Amending section 11-173.5, HRS, relating to election contests for cause, to allow a complaint to be filed no later than the thirteenth, rather than the sixth, day after a primary or special primary election;
- (12) Amending chapter 15, HRS, to allow an absentee ballot to be forwarded to a one-time temporary address and provide for the electronic transmission of absentee ballots;
- (13) Scheduling section 11-91.5, HRS, relating to elections by mail for special elections, to sunset on the date of the 2020 primary election;

- (14) Specifying that the appropriation of funds for the election by mail program includes the purposes of funding voter education and public awareness programs;
- (15) Adding areas of study to the annual reports that the Office of Elections is required to submit to the Legislature from the Regular Sessions of 2017 to 2023;
- (16) Adding a severability clause; 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2496, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2496, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2454 (Majority) Judiciary and Labor on S.B. No. 2435

The purpose and intent of this measure is to:

- (1) Repeal the exclusion of benefits of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) from the subjects of collective bargaining negotiation;
- (2) Repeal the prohibition of using arbitration to resolve impasses or disputes relating to the amounts the State and counties must contribute to the EUTF; and
- (3) Clarify that a decision of an arbitration panel is final by repealing the Legislature's role in recommending employer contributions to the EUTF if the negotiating parties are unable to agree on contribution amounts.

Your Committee received testimony in support of this measure from the Hawaii Government Employees' Association, AFSCME Local 152, AFL-CIO; University of Hawaii Professional Assembly; Hawaii Fire Fighters Association; and one individual. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance and Department of Human Resources of the City and County of Honolulu. Your Committee received comments on this measure from the Office of Collective Bargaining of the Executive Office of the Governor, Department of the Attorney General, and University of Hawai'i System.

Your Committee finds that efforts are necessary to implement reforms to the EUTF to address various concerns. However, as raised in testimony, allowing each bargaining unit to negotiate its own benefits and use arbitration to decide EUTF disputes or impasses creates uncertainty and may have a negative financial impact on public employers and employees.

Accordingly, your Committee has amended this measure by:

- (1) Deleting section 1, relating to the exclusion of benefits of the EUTF from negotiation and use of arbitration to resolve impasses or disputes relating to the amounts the State and counties must contribute to the EUTF;
- (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. 2435, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2435, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Thielen). Noes, 1 (Slom). Excused, none.

SCRep. 2455 Judiciary and Labor on S.B. No. 2318

The purpose and intent of this measure is to:

- (1) Establish the address confidentiality program to help survivors of domestic violence, sexual assault, and stalking to relocate and keep their actual addresses confidential by using a substitute address; and
- (2) Make an appropriation for the implementation and operation of the address confidentiality program.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission; Hawaii State Commission on the Status of Women; Department of the Prosecuting Attorney, City and County of Honolulu; American Association of University Women of Hawaii; Domestic Violence Action Center; The Sex Abuse Treatment Center; Parents And Children Together; Planned Parenthood Votes Northwest and Hawaii; Women's Caucus of the Democratic Party of Hawai'i; Hawaii Women's Coalition; and four individuals. Your Committee received comments on this measure from the Office of Information Practices.

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, more than thirty states have enacted and implemented address confidentiality programs. This measure helps to keep victims of domestic violence, sexual assault, and stalking 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) Adopting language suggested by the Hawaii State Commission on the Status of Women that:
 - (A) Adds the definition of “agency” to include state and county agencies;
 - (B) Deletes the definition of “resident” and clarifies that a minor who resides with a parent or guardian does not need to be a resident of Hawaii to become a program participant;
 - (C) Deletes the definition of “state agency” or “agency” and makes conforming amendments accordingly;
 - (D) Clarifies the program director is required to designate, rather than hire, applicant assistants because applicant assistants are not employees of the address confidentiality program;
 - (E) Clarifies that a secondary program participant may have the secondary program participant’s certification cancelled if the program participant’s certification is cancelled for any reason; and
 - (F) Establishes that disclosure of the actual address of a program participant is prohibited unless required by chapter 92F, Hawaii Revised Statutes, or the court makes certain findings by clear and convincing evidence; and disclosure of a program participant’s actual address is a misdemeanor;
- (2) Changing the administrative placement and expending agency of the address confidentiality program from the Department of Accounting and General Services to the Department of the Attorney General and making conforming amendments 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2318, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2318, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2456 (Majority) Judiciary and Labor on S.B. No. 2313

The purpose and intent of this measure is to:

- (1) Prohibit an employer from using a system that measures earnings by quantity or quality of production as an affirmative defense to pay differential;
- (2) Clarify that an employer may use a bona fide seniority system, bona fide merit system, or bona fide occupational qualifications as an affirmative defense to pay differential;
- (3) Clarify that an employer is prohibited from discriminating between employees because of sex by paying wages to employees at a rate less than the rate at which the employer pays wages to employees of the opposite sex for substantially similar work and under similar working conditions, with certain exceptions; and
- (4) Prohibit employers from restricting wage disclosure.

Your Committee received testimony in support of this measure from the Hawai‘i Civil Rights Commission, Hawaii State Commission on the Status of Women, Hawaii Women’s Coalition, Hawai‘i State Democratic Women’s Caucus, Planned Parenthood Votes Northwest and Hawaii, and five individuals. Your Committee received testimony in opposition to this measure from the National Federation of Independent Business and one individual.

Your Committee finds that pay disparity persists between men and women who do similar work. The persistent disparity in earnings has a significant impact on the economic security and welfare of thousands of working women and their families.

Your Committee further finds that pay secrecy inhibits workers from pursuing claims of pay discrimination because women cannot challenge wage discrimination that they do not know exists. Implementation of this measure improves the State’s laws pertaining to equal pay and wage disclosures and will encourage greater gender equality in the workplace.

Your Committee has amended this measure by:

- (1) Reinserting language to authorize an employer to use a system that measures earnings by quantity or quality of production as an affirmative defense to pay differential;
- (2) Inserting language to authorize an employer to use a bona fide factor other than sex as an affirmative defense to pay differential; provided that the factor is not based on or derived from a sex-based differential in compensation, is job-related to the position in question, and is consistent with a legitimate business necessity;
- (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. 2313, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2313, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2457 Commerce, Consumer Protection, and Health on S.B. No. 2691

The purpose and intent of this measure is to:

- (1) Define “disposable electronic smoking device”, “electronic smoking device”, “e-liquid”, and “reusable electronic smoking device” in the State’s cigarette tax and tobacco tax law;
- (2) Impose an excise tax on an e-liquid sold by a wholesaler or dealer on or after January 1, 2017, 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 increase in the excise tax rate imposed on cigarettes or little cigars on or after January 1, 2017, to trigger an automatic excise tax increase on e-liquid on or after January 1, 2017; and
- (4) Impose an excise tax on the wholesale price of disposable electronic smoking devices and reusable electronic smoking devices sold by a wholesaler or dealer on or after January 1, 2017, whether or not sold at wholesale, or if not sold then at the same rate upon the use by the wholesaler or dealer.

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, American Heart Association, and fifty-three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Smokers Alliance, VOLCANO Fine Electronic Cigarettes, PC Gamerz Hawaii, and thirteen individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Hawaii has a substantial interest in reducing the number of individuals of all ages who use tobacco products. Tobacco use in Hawaii causes approximately 1,400 deaths per year among adults and poses a heavy burden on Hawaii’s health care system. Research has shown that either a tax on cigarettes or cigarette price increases have the propensity to reduce the rate of smoking by adult and youth smokers. However, as the price of cigarettes increases, smokers may turn to less expensive tobacco products, including electronic smoking devices.

Your Committee further finds that the use of electronic smoking devices is on the rise, while the electronic smoking device industry, along with the production of e-liquid, are growing rapidly. This growth of the electronic smoking device industry, including retail businesses selling electronic smoking devices or e-liquid, necessitates further regulations to protect consumers, such as requiring retailers of electronic smoking devices or e-liquid to obtain a retail tobacco permit. In addition, toxicologists warn that e-liquids pose significant risks to public health, particularly to children.

Your Committee further finds that taxes on e-liquid should be similar to the tax rates already imposed on cigarettes. E-liquid and tobacco products other than cigarettes are currently taxed at a lower rate than cigarettes, even though their use carries similar health risks. There should not be a lower-priced tobacco alternative to cigarettes in Hawaii; therefore a similar tax rate for cigarettes and e-liquids that acts as a deterrent for all forms of tobacco and nicotine use is needed. Higher prices on e-liquids and electronic smoking devices will encourage users of electronic smoking devices to quit, sustain cessation, prevent youth initiation, and reduce consumption among those who continue to use.

To assist your Committee on Ways and Means with its deliberation on this measure, your Committee recommends an excise tax equal to eighty percent of the wholesale price of each disposable electronic smoking device sold, used, or possessed by a wholesaler or dealer on and after January 1, 2017, and an excise tax equal to 55 cents per milliliter of e-liquid sold, used, or possessed by a wholesaler or dealer on and after January 1, 2017.

Your Committee has amended this measure by:

- (1) Requiring every retailer engaged in the retail sale of cigarettes, tobacco products, electronic smoking devices, or e-liquid to obtain a retail tobacco permit in order to sell, possess, keep, acquire, distribute, or transport cigarettes, tobacco products, electronic smoking devices, or e-liquid for retail sale;
- (2) Specifying that any entity that operates as a dealer or wholesaler and also sells cigarettes, tobacco products, electronic smoking devices, or e-liquid to consumers at retail is required to acquire a separate retail tobacco permit;
- (3) Inserting language related to the sales of cigarettes, tobacco products, electronic smoking devices, or e-liquid made through vending machines;
- (4) Specifying that a vehicle from which cigarettes, tobacco products, electronic smoking devices, or e-liquid are sold is considered a place of business and requires a retail tobacco permit;
- (5) Inserting language related to the keeping of complete and accurate records of a permittee’s cigarette, tobacco product, electronic smoking device, and e-liquid inventory;
- (6) Allowing electronic smoking devices, packages of electronic smoking devices, containers of electronic smoking devices, e-liquid, packages of e-liquid, and containers of e-liquid to be seized and forfeited if unlawfully sold, possessed, kept, stored, acquired, distributed, or transported;
- (7) Deleting language that would have required any increase in the excise tax rate imposed on cigarettes or little cigars on or after January 1, 2017, to trigger an automatic excise tax increase on e-liquid on or after January 1, 2017;
- (8) Deleting language that would have established an excise tax on each reusable electronic smoking device sold, used, or possessed by a wholesaler or dealer on and after January 1, 2017;
- (9) Requiring and specifying information that every wholesaler or dealer of electronic smoking devices and e-liquid shall file with the Department of Taxation on a monthly basis;

- (10) Requiring every wholesaler or dealer to keep a record of every sale of electronic smoking devices and e-liquid; the wholesale price of electronic smoking devices sold, possessed, or used; the milliliters of e-liquid sold, possessed, or used; and the taxes payable on electronic smoking devices and e-liquid sold, possessed, or used;
- (11) Authorizing the Department of Taxation and Attorney General to examine certain records and operations of any person engaged in the business of wholesaling electronic smoking devices and e-liquid;
- (12) Specifying monthly reporting requirements for licensees of electronic smoking devices and e-liquid;
- (13) Requiring the Department of Taxation to adopt rules for licensees who pay a tobacco tax on the distribution of electronic smoking devices or e-liquid;
- (14) Amending the effective date to January 1, 2017; and
- (15) Making 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2691, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2691, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2458 (Joint) Commerce, Consumer Protection, and Health and Education on S.B. No. 2476

The purpose and intent of this measure is to:

- (1) Establish within the Department of Health, Family Health Services Division, an early language acquisition program to assess and track language development for children who are deaf, hard of hearing, and deaf-blind;
- (2) Require the Family Health Services Division to:
 - (A) Select language development milestones used to meet federal requirements for the assessment of children from birth to age five, inclusive;
 - (B) Use the language development milestones to develop a resource for use by parents to monitor and track deaf, heard of hearing, and deaf-blind children's receptive and expressive language acquisition and developmental stages related to English literacy and appropriate communication skills; and
 - (C) Select educator tools or assessments that can be used to assess the language and literacy development of child who are deaf, hard of hearing, and deaf-blind;
- (3) Starting on or before July 1, 2018, require the Family Health Services Division in conjunction with the Department of Education to produce a report that is specific to language and literacy development of deaf, hard of hearing, and deaf-blind children from birth to five years of age;
- (4) Establish an early language acquisition advisory committee to obtain input from experts on the selection of language development milestones for children who are deaf, hard of hearing, and deaf-blind;
- (5) If a deaf, hard of hearing, or deaf-blind child does not demonstrate progress in expressive or receptive language skills, require individualized family services plans or individualized education plans to explain why a child is not meeting language developmental milestones and make recommendations to assist the child's success toward English literacy; and
- (6) Make an appropriation to the Department of Health for the establishment of language development milestones and the corresponding parent resource and educator tools and assessments.

Your Committees received testimony in support of this measure from the Disability and Communication Access Board; School Community Council of the Hawaii School for the Deaf and the Blind; Hawaii Deaf Surfriders Association; Aloha State Association of the Deaf; Isle Interpret, LLC; and thirty-two individuals. Your Committees received comments on this measure from the Department of Education, Department of Health, Executive Office on Early Learning, and one individual.

Your Committees find that children who are deaf, hard of hearing, or deaf-blind have the same ability and capability to learn language as their peers who do not have a similar disability. The ability and right to develop language are central to the human experience and necessary prerequisites to literacy as well as cognitive, emotional, linguistic, academic, and social growth and the chance for children to evolve into healthy and productive members of society. Without communication through language, formal education is not possible.

Your Committees further find that current statistics show many children who are deaf, hard of hearing, or deaf-blind arrive at kindergarten with severe language delays and, in many cases, language deprivation. Children who are deaf, hard of hearing, or deaf-blind often begin kindergarten without the necessary language skills to acquire the knowledge and academic competencies that will allow them to be successful in school and life.

Your Committees have amended this measure by deleting its contents and inserting language that:

- (1) Establishes an early learning acquisition program with various services for children who are deaf, hard of hearing, or deaf-blind within the Department of Health to support age-appropriate language development for children from birth to age three years who are deaf, hard of hearing, or deaf-blind;

- (2) Establishes a working group for the purposes of investigating issues related to resources and tools for parents of children who are deaf, hard of hearing, or deaf-blind and improvements to the statewide system of services that support age-appropriate language development for children from birth to age five who are deaf, hard of hearing, or deaf-blind and reporting findings and recommendations to the Legislature prior to the Regular Sessions of 2017 and 2018;
- (3) Appropriates funds for three permanent full-time equivalent (3.0 FTE) positions to establish and operate the early language acquisition program; and
- (4) Appropriates funds for one-full time equivalent (1.0 FTE) position to teach American Sign Language for children from birth to age five who are deaf, hard of hearing, or deaf-blind.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Education that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2476, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2476, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

Education: Ayes, 5. Noes, none. Excused, 1 (Harimoto).

SCRep. 2459 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.B. No. 2777

The purpose and intent of this measure is to:

- (1) Require the counties to regulate transportation network companies and transportation network company drivers and issue permits to transportation network companies;
- (2) Require transportation network companies to pay an annual airport permit to the Department of Transportation, for purposes of authorizing transportation network drivers to pick up and discharge riders at airports in the State;
- (3) Establish insurance, qualifications, and other requirements for transportation network company drivers; and
- (4) Establish minimum standards for driver qualifications, drug and alcohol policies, and antidiscrimination and accessibility policies for taxicab companies and taxicab drivers operating within each county.

Your Committees received testimony in support of this measure from USAA, National Association of Mutual Insurance Companies, Hawaii Insurers Council, and Government Employees Insurance Company. Your Committees received testimony in opposition to this measure from UBER Technologies, Lyft, Hawaii Association for Justice, and one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs, Public Utilities Commission, and Property Casualty Insurers Association of America.

Your Committees find that transportation network companies are entities that use a digital network to connect riders 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. Although the public has been receptive to this innovation in transportation services, transportation network companies are not currently regulated in Hawaii and therefore, there are no consumer protections in place for members of the public who use the services of transportation network companies. In addition, there are concerns about potential gaps in motor vehicle insurance coverage associated with transportation network companies.

Your Committees have amended this measure upon the recommendation of the Department of Commerce and Consumer Affairs' Insurance Division by:

- (1) Clarifying that the primary insurance requirements for uninsured and underinsured motorist coverage shall meet the requirements of section 431:10C-301, Hawaii Revised Statutes; provided that the stacking of uninsured and underinsured motorist coverages may be rejected in writing; 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 Transportation and Energy, Public Safety, Intergovernmental, and Military Affairs, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2777, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2777, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 7. Noes, none. Excused, none.

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Espero).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Ruderman).

SCRep. 2460 (Joint/Majority) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs and Water, Land, and Agriculture on S.B. No. 2535

The purpose and intent of this measure is to:

- (1) Allow counties to adopt ordinances to regulate geothermal resources exploration conducted less than one mile from a residence if the ordinance is not inconsistent with state law;
- (2) Prohibit counties from adopting ordinances to regulate geothermal resources exploration conducted one mile or more from a residence;

- (3) Clarify that the regulation of geothermal resources development and geothermal resources exploration is reserved to the State unless delegated to the counties by statute;
- (4) Require the lessee of a mining lease to comply with all water and air pollution control laws, relating to building, grading, and flood control codes; and
- (5) Require the rules of the Board of Land and Natural Resources regarding mining operations, geothermal resource development, and geothermal resource exploration, including drilling conditions and restrictions, to be uniform throughout the State.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Association of REALTORS, Hawaii Laborers-Employers Cooperation Education Trust, and four individuals. Your Committees received testimony in opposition to this measure from the Life of the Land; Puna Pono Alliance; We Are One, Inc.; Laakea Community LLC; Pele Lani Farm, LLC; and numerous individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Office of Hawaiian Affairs; and two individuals.

Your Committees find that the cost of electricity in the State of Hawaii exceeds the costs of electricity in every other state. Reducing electricity costs depends in part on diversifying the energy sources within the State. Geothermal energy is a firm source of indigenous, renewable energy that could be made available at low costs.

Your Committees further find that the development and regulation of geothermal energy development and production is a matter of statewide concern. Your Committees believe that regulations concerning the development of geothermal energy, geothermal energy exploration, and geothermal mining operations should be uniform throughout the State, and not subject to restrictions imposed by the counties that are inconsistent with or contrary to state laws and regulations.

Your Committees have amended this measure by:

- (1) Deleting language authorizing the counties to adopt ordinances to regulate geothermal resources exploration conducted less than one mile from a residence;
- (2) Deleting language prohibiting the counties from adopting ordinances to regulate geothermal resources development conducted one mile or more from a residence;
- (3) Adding a purpose section; and
- (4) Inserting an effective date of June 22, 2022, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy, Public Safety, Intergovernmental, and Military Affairs, and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2535, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2535, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, 2 (Chun Oakland, Slom). Excused, 1 (Gabbard).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, 1 (Slom). Excused, none.

Water, Land, and Agriculture: Ayes, 5; Ayes with Reservations (Shimabukuro, Wakai). Noes, 4 (Riviere, Ruderman, Thielen, Slom). Excused, none.

SCRep. 2461 (Majority) Transportation and Energy on S.B. No. 2938

The purpose and intent of this measure is to:

- (1) Increase the state fuel tax to generate additional revenues for the state highway fund;
- (2) Increase the state motor vehicle registration fee and the amount of the fee to be deposited into the state highway fund;
- (3) Increase the state motor vehicle weight tax; and
- (4) Make an appropriation to the Department of Transportation for the operations and maintenance of the state highways program.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Energy Policy Forum, and Blue Planet Foundation. Your Committee received testimony in opposition to this measure from two individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources, Tax Foundation of Hawaii, Chamber of Commerce Hawaii, Hawaii Transportation Association, and one individual.

Your Committee finds that the state fuel tax, state motor vehicle registration fee, and state motor vehicle weight tax are the major revenue sources for the state highway fund. They are also the major sources of pledged revenues for the highway revenue bonds. The additional revenue provided by this measure will positively impact the highway revenue bonds ratings. A higher bond rating decreases the cost of borrowing.

Your Committee further finds that appropriations from the state highway fund are used for the construction, operations, and maintenance of the state highway system. Any increase in this primary source of revenues for the state highway fund will enhance the Department of Transportation's ability to construct, operate, and maintain the state highway system. This would enable an increase in the highways capital improvement program and special maintenance programs. The failure of the State to properly maintain the state highway system may result in sanctions by the Federal Highway Administration, including the loss of federal funds.

The increase in revenues provided by this measure will provide safer infrastructure enhancements for all users including motorists, pedestrians, bicyclists, and transit users and will positively impact the Department of Transportation's ability to qualify state matching funds for the highways federal-aid program. In addition, the availability of state matching funds may result in attracting additional

federal funds. The normal federal share for projects on the interstate system is ninety percent and for other eligible roadways it is eighty percent.

Your Committee has amended this measure by:

- (1) Blanking out the amounts of the increases for fuel taxes, motor vehicle registration fee, and motor vehicle weight tax; 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 and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2938, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2938, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Chun Oakland). Noes, 1 (Slom). Excused, 1 (Gabbard).

SCRep. 2462 Transportation and Energy on S.B. No. 2142

The purpose and intent of this measure is to create the class C offense of endangering public transportation for tampering 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.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that the vandalism and theft of copper wiring from street lights and traffic control devices have endangered public safety. The intent of your Committee is provide another tool to discourage acts of vandalism and destruction of public property, and to protect the traveling public.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2142, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2142, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2463 Transportation and Energy on S.B. No. 3121

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist PQ Energy LLC, through special purpose entities to be formed, with the development and construction of renewable energy plants within the State of Hawaii.

Your Committee received testimony in support of this measure from PVT Land Company and PQ Energy LLC. Your Committee received testimony in opposition to this measure from the Life of the Land. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that support for the development of renewable and efficient energy systems in the State, which is geographically isolated from fossil fuels, continues to be in the public interest. PQ Energy LLC offers sustainable solutions for the generation of renewable energy and waste management through the development of renewable energy plants. PQ Energy LLC's plants will use a proven gasification solution and other renewable energy applications to convert bio matter and other renewable energy resources into clean and renewable baseload and on-demand energy.

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 and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3121, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3121, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 2464 Transportation and Energy on S.B. No. 2685

The purpose and intent of this measure is to allow proof of motor vehicle insurance to be displayed in electronic format on a mobile electronic device.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Property and Casualty Insurers Association of America, National Association of Mutual Insurance Companies, United States Automobile Association, and Hawaii Insurers Council. Your Committee received comments on this measure from State Farm Mutual Automobile Insurance Company.

Your Committee finds that many motor vehicle insurance companies offer insurance documents through applications on mobile electronic devices. This electronic proof of coverage gives drivers a convenient, paperless way to display up-to-date insurance information.

Your Committee has amended this measure by clarifying that the motor vehicle identification card of proof of insurance card must be authenticated in order to deter fraud.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2685, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2685, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2465 Transportation and Energy on S.B. No. 2515

The purpose and intent of this measure is to impose penalties for an owner of a place of public accommodation with at least one hundred parking spaces available for use by the general public who fails to provide at least one parking space exclusively for electric vehicles and equipped with an electric vehicle charging system.

Your Committee received testimony in support of this measure from Ulupono Initiative. 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 Hawaii, the transportation sector requires more energy than the electricity sector. About twenty percent of the State's primary energy usage is due to ground transportation, such as cars and trucks, which rely almost exclusively on imported fossil fuels for energy. This measure would create greater demand for electric vehicle charging infrastructure, which makes electric vehicle ownership more appealing by reducing range anxiety, as well as potentially adding battery storage capacity or demand response capacity to the electric grid, or both.

Your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2774, a substantially similar measure that:

- (1) Requires, in places of public accommodations, a ratio of one electric vehicle parking stall per one hundred stalls by July 1, 2017, and a ratio of two electric vehicle parking stalls per one hundred stalls by July 1, 2022; and
- (2) Designates the appropriate county authority having jurisdiction over planning and permitting to enforce these requirements.

Your Committee has further 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 Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2515, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2515, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2466 Transportation and Energy on S.B. No. 2686

The purpose and intent of this measure is to require information on organ and tissue donation to be included in the curriculum for the statewide driver education program and behind-the-wheel driver training program.

Your Committee received testimony in support of this measure from Legacy of Life Hawaii and six individuals. Your Committee received testimony in opposition to this measure from the Department of Transportation.

Your Committee finds that this measure could save lives. The license application includes the question, "Do you wish to be an organ donor?" This bill ensures students can make an informed choice in answering that question. By integrating information regarding organ and tissue donation into the driver education curriculum, students are provided with accurate facts early on in life which not only prepares them to make an informed choice when applying for their driver's permit or license, but it also brings the conversation home so that family members' wishes are better understood.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2686 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Nishihara, Slom).

SCRep. 2467 (Majority) Transportation and Energy on S.B. No. 2013

The purpose and intent of this measure is to create the University of Hawaii green special fund to support energy efficiency, renewable energy, and sustainability projects and services, including personnel, equipment costs, project costs, and other expenses, as well as planning, design, and implementation of sustainability projects for the benefit of the University.

Your Committee received testimony in support of this measure from the University of Hawai'i System.

Your Committee finds that green funds are an innovative and proven mechanism for universities and other large institutions to reduce operating cost and environmental impacts while promoting education and engaging stakeholders. The green special fund is an internal fund that will provide a direct source of capital to all ten University of Hawaii campuses to implement energy efficiency, renewable energy, and other sustainability projects that generate cost savings. These savings are tracked and used to replenish the fund for the next round of green investments, thus establishing a sustainable funding cycle while reducing operating costs and environmental impact.

Your Committee further finds that the University of Hawaii needs a mechanism to track and reinvest savings realized from energy efficiency and renewable energy projects into additional cost-saving measures that reduce energy consumption to support this long term goal.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2013, S.D. 1, and recommends that it pass Second Reading and be referred to your Committees on Higher Education and the Arts and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Gabbard).

SCRep. 2468 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on S.B. No. 2668

The purpose and intent of this measure is to:

- (1) Establish a dispute resolution process by which a dispute for a bill for emergency services or a surprise bill may be resolved;
- (2) Specify disclosure requirements for health care professionals and health care facilities, including estimated costs for health care services and information on participating provider networks;
- (3) Specify that an insured shall not be liable to a health care provider for any sums owed by an insurer;
- (4) Specify that an insurer who receives emergency services from a nonparticipating provider shall not incur greater out-of-pocket costs for the emergency services than the insured would have incurred with a participating provider;
- (5) Specify additional disclosure requirements for health insurance plans, including payment methodologies and updated participating provider directories; and
- (6) Require health insurance plans to provide at least one option for coverage of at least the usual and customary cost of each out-of-network health care service in inadequate network situations.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs and Kaiser Permanente Hawaii. Your Committees received testimony in opposition to this measure from the Hawaii Medical Association; Hawaii Medical Service Association; American Council of Life Insurers; American College of Emergency Physicians, Hawaii Chapter; and one individual. Your Committees received comments on this measure from the Healthcare Association of Hawaii and Hawai'i Pacific Health.

Your Committees find that consumers with health insurance who receive treatment from an out-of-network provider may receive a bill for the difference between an insurer's payments to a health care provider and the out-of-network provider's charges. These bills, known as balance bills or surprise bills, occur most often when consumers receive medical services from out-of-network providers. Out-of-network providers may not have a contracted rate with an insurer for services and therefore, the prices these providers could charge may be much greater than the price charged by in-network providers for similar services. Accordingly, this measure attempts to address concerns associated with balance billing.

According to testimony received by your Committees, consumers should not be subjected to balance billing by out-of-network providers, as the onus should be on health care providers and health care facilities to know which providers are covered under what insurance plan. Your Committees further find that insurer notification and disclosure about health care plans and services provided will help address some concerns associated with balance billing.

Your Committees have heard the concerns that certain components in this measure may be inconsistent with or duplicative to existing regulatory requirements and that the proposed language in this measure that requires health plans to accept assignment of benefits may impair a health plan's ability to create and maintain networks, which may have an inadvertent negative impact on consumers. Your Committees have also heard the concerns that the independent resolution process established by this measure may be overly cumbersome for health care providers and health care plans.

Your Committees understand these concerns and note that interested stakeholders have been engaged in discussions regarding this measure and have come to a consensus with regard to specifying notice requirements, ensuring individual consumers are held harmless for any sums owed by an insurer, and requiring providers and facilities to be held to certain reimbursement rates. Amendments to this measure are therefore necessary to incorporate language agreed upon by interested stakeholders.

Accordingly, your Committees have amended this measure by:

- (1) Removing language that would have established a dispute resolution process for emergency service bills or surprise bills;
- (2) Clarifying the information a health care provider, health care facility, or hospital shall disclose in writing to a patient or prospective patient, prior to the provision of nonemergency services that are not authorized by a patient's health care plan, and updating associated definitions;
- (3) Removing language that required additional disclosure requirements for health care providers who are physicians;
- (4) Removing language that required certain information to be posted on a hospital's website and provided in registration or admission materials;
- (5) Specifying that the amount a nonparticipating provider may bill for services performed without prior or subsequent authorization from a patient's health care plan shall be no more than one hundred twenty percent of the amount Medicare would pay for the service;
- (6) Specifying that an insured who receives emergency services from a nonparticipating provider shall not incur greater out-of-pocket costs for the emergency services than the insured would have incurred with a participating provider and updating associated definitions;
- (7) Removing language that required health insurance plans to provide at least one option for coverage of at least the usual and customary cost of each out-of-network health care service in inadequate network situations;

- (8) 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 records of votes of the members of your Committees on Commerce, Consumer Protection, and 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. 2668, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2668, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

Judiciary and Labor: Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2469 (Joint) Human Services and Housing on S.B. No. 2018

The purpose and intent of this measure is to establish a program within the Department of Human Services to assist homeless individuals who suffer from multiple chronic diseases find housing opportunities in the community and to obtain federal monies to implement and carry out the program.

Your Committees received testimony in support of this measure from NuWayve Unlimited and four individuals. Your Committees received testimony in opposition to this measure from Hawaii Association for Justice. Your Committees received comments on this measure from the Governor's Coordinator on Homelessness under the Office of the Governor, Department of Health, and Department of Human Services.

Your Committees find that homeless persons are often in poor health and found to be suffering from several chronic diseases. This program requires the Department of Human Services and the Coordinator on Homelessness under the Office of the Governor to collaborate to identify qualified individuals for participation in the program. Health and homelessness are intertwined, and assisting homeless persons with multiple chronic diseases to find affordable housing assists one of the most vulnerable sectors of the population. Further, homelessness exacerbates already ill individuals, so by identifying the chronically ill persons and providing them with housing, the State can help end the cycle that reinforces poverty and illness. Most significantly, the Medicaid program can realize significant savings by reducing high utilization of health services among homeless persons with chronic illnesses.

Your Committees have amended this measure by:

- (1) Deleting the language concerning the limitations on liability;
- (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 Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2018, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2018, S.D. 2, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 6. Noes, none. Excused, 1 (Slom).

Housing: Ayes, 4. Noes, none. Excused, 3 (Ihara, Wakai, Slom).

SCRep. 2470 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2182

The purpose and intent of this measure is to appropriate funds for grants to maintain and expand the weed and seed strategy.

Your Committees received testimony in support of this measure from the Department of the Attorney General; Department of the Prosecuting Attorney for the County of Maui; Weed and Seed Steering Committee; Weed and Seed; Gentry Homes, Ltd.; Louis Pohl Gallery; Waipahu Community Coalition; McDonald's of Ewa Beach; Parent Community Networking Center; Meadow Gold Dairies; First Hawaiian Bank; Haseko Development, Inc.; and forty individuals. Your Committees received testimony in opposition to this measure from the Libertarian Party of Hawaii.

Your Committees find that the weed and seed strategy is a collaborative effort among federal, state, and county law enforcement agencies, social service agencies, private businesses, nonprofit organizations, and residents to reclaim, restore, and rebuild communities. The program has proven to be an effective tool for law enforcement in Hawaii, with great benefits to the community in general. This measure will help to maintain and support the weed and seed strategy in the future. However, your Committees note that the appropriation of funds in this measure must be more finely tailored so as to not interfere with existing items on the executive budget for the Department of the Attorney General.

Your Committees have amended this measure by clarifying that the appropriation shall be made as a grant to Empower O'ahu.

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. 2182, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2182, S.D. 1, and be referred to your 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.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2471 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2196

The purpose and intent of this measure is to establish the law enforcement officer independent review board within the Department of the Attorney General to investigate deaths while in law enforcement custody and shootings involving a law enforcement officer where an individual is injured.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Libertarian Party of Hawaii, Common Cause Hawaii, and eleven individuals. Your Committees received testimony in opposition to this measure from the Department of the Prosecuting Attorney for the County of Maui. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that news coverage of recent events have caused significant public outcry for increased oversight of law enforcement in Hawaii. This measure would allow for greater transparency of law enforcement operations and accountability for law enforcement actions taken by officers. The establishment of an independent review board for law enforcement officers is in the public interest and will benefit law enforcement agencies with an additional layer of independent review.

Your Committees note the concerns expressed by the Department of the Attorney General regarding this measure and finds that amendments are necessary to incorporate language proposed by the Department.

Your Committees have amended this measure by:

- (1) Adopting the language proposed by the Department of the Attorney General, which:
 - (A) Adds a definition for “officer-involved death or serious bodily injury”;
 - (B) Changes the composition of the board;
 - (C) Amends the scope of the board’s duties and investigation and reporting procedures of the board; and
 - (D) Allows the expenditure of monies in the criminal forfeiture fund for the payment of expenses arising in connection with the law enforcement officer independent review board, excluding independent review board investigators; 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. 2196, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2196, S.D. 1, and be referred to your 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.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2472 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2198

The purpose and intent of this measure is to extend the reentry pilot project for nonviolent, low-risk drug offenders.

Your Committees received testimony in support of this measure from the Department of Public Safety; Ho‘omana Pono, LLC; Hawaii Substance Abuse Coalition; Community Alliance on Prisons; and six individuals. Your Committees received testimony in opposition to this measure from the Department of the Prosecuting Attorney for the County of Maui.

Your Committees find that nonviolent, low-risk offenders, particularly those convicted of drug offenses, can be effectively and safely transitioned from jail or prison into the community through a comprehensive and coordinated continuum of evidence-based treatment services. Individuals addicted to drugs can easily be caught in a cycle of incarceration from which they cannot easily escape. Allowing such individuals access to treatment in the community benefits the individuals and serves the public interest. Your Committees note that some low-risk offenders struggle with drug problems but were not convicted of drug-related offenses, and that such individuals should also be included in the pilot program.

Your Committees have amended this measure by:

- (1) Replacing references to “low-risk drug offenders” with “low-risk offenders”; 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 Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2198, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2198, S.D. 1, and be referred to your 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.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2473 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2256

The purpose and intent of this measure is to authorize issuance of a driver’s license with the notation of “veteran” for persons who are veterans of the Korean conflict.

Your Committee received testimony in support of this measure from the Department of Defense Office of Veterans Services, City and County of Honolulu City Council, and Korean War Veterans Association Aloha Chapter.

Your Committee finds that existing provisions of the Hawaii Revised Statutes allow individuals who have served in the United States armed services and are veterans of the Korean conflict to have "Korea Veteran" imprinted on their Hawaii license plates. Although the Hawaii Revised Statutes also provides for annotation of veteran status on driver's licenses, existing language makes it difficult for veterans of the Korean conflict to qualify for the veteran's annotation provision. Your Committee finds that these veterans should have access to full documentation of their veteran status.

Your Committee also recognizes that numerous individuals served in the armed forces of the Republic of Korea and fought in the Korean conflict under the command of the United Nations led by the United States, and that many of these individuals are now citizens of the United States. Your Committee finds that such individuals should be acknowledged as veterans.

Your Committee has amended this measure by:

- (1) Adding language to the definition of "veteran" and a conforming amendment to include individuals who served in the armed forces of the Republic of Korea, who fought under the command of the United Nations led by the United States during the Korean conflict and are currently United States citizens; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee also notes that numerous individuals served in the armed forces of the Republic of Vietnam and fought in the Vietnam conflict alongside United States armed services personnel, and that many of these individuals are now citizens of the United States. Your Committee respectfully requests your Committee on Transportation and Energy to consider amending the definition of "veteran" to include such individuals if your Committee on Transportation and Energy hears this measure.

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. 2256, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2256, S.D. 1, and be referred to your Committee on Transportation and Energy.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2474 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2309

The purpose and intent of this measure is to:

- (1) Require the Honolulu Police Department to establish the sexual assault kit tracking program;
- (2) Require law enforcement agencies to submit sexual assault kits obtained in connection with a criminal investigation to a laboratory within ten business days;
- (3) Require each law enforcement agency that obtains a sexual assault kit in connection with a criminal investigation to report to the Department of the Attorney General annually on the number of untested kits in the custody of the Honolulu Police Department; and
- (4) Require the police department of each county, the Department of Public Safety, and the Division of Conservation and Resources Enforcement to report to the Legislature on the number of untested kits and any progress on the backlog, and to make that report available to the public.

Your Committees received testimony in support of this measure from the Honolulu Police Department, Hawaii State Commission on the Status of Women, Planned Parenthood Votes Northwest and Hawaii, and three individuals. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that, according to supplemental testimony by the Honolulu Police Department, the number of untested sexual assault kits in the department's custody is approximately 1,500. Once tested, an offender's DNA from a sexual assault kit can be matched with other offender samples in the Federal Bureau of Investigation's national database. Analysis of previously untested kits in other jurisdictions have resulted in the capture of serial rapists, so thorough and timely testing of all outstanding kits in Hawaii is vitally important.

Your Committees further recognize that sexual assault kits are only analyzed by forensic laboratories at the request of a prosecuting attorney, so the sexual assault kit tracking program would be more appropriately administered by the department of the prosecuting attorney for each county.

Your Committees have amended this measure by:

- (1) Placing the sexual assault kit tracking program under the department of the prosecuting attorney of each county 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 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. 2309, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2309, S.D. 1, and be referred to your 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.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Kim).

SCRep. 2475 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2374

The purpose and intent of this measure is to appropriate funds to the Office of the Prosecuting Attorney of the County of Hawaii for the career criminal prosecution unit.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Office of the Prosecuting Attorney for the County of Hawaii, and Department of the Prosecuting Attorney for the County of Maui.

Your Committees find that a substantial and disproportionate amount of serious crime is caused by a relatively small number of multiple and repeat felony offenders. Such individuals are commonly known as career criminals. The career criminal prosecution program was established to support efforts by prosecuting attorneys to pursue such individuals, but funding for the program has declined since its inception. Your Committees find that funding the career criminal prosecution program is in the public interest.

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. 2374 and recommend that it pass Second Reading and be referred to your 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.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 1 (Slom).

SCRep. 2476 (Joint) Transportation and Energy and Economic Development, Environment, and Technology on S.B. No. 2948

The purpose and intent of this measure is to establish the ship repair industry grant program and to make an appropriation for the program.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii, Pacific Shipyards International, and six individuals.

Your Committees find that ship repair is a critical industry in our maritime dependent state. Ship repair capability insures the safe and timely operation of ships and barges supplying the Hawaiian Islands. Without this capability, many ships will go to the mainland for repair and dry docking.

Your Committees further find that ship repair provides well-paying industrial and technical job opportunities for citizens of Hawaii and critical industrial services to our community, such as repair of engines and generators, welding and metal fabrication, ventilation and air conditioning, and critical service to oil product transfer buoys. However, ship repair companies in Hawaii have a significant cost competitive disadvantage with mainland and foreign ship repair entities due to higher wages and material shipping costs.

Your Committees have amended this measure by changing the program from a grant program to a loan program to provide eligible recipients with funds for capital and related improvement projects, training projects to foster employee skills and enhance productivity, and purchase of machinery and equipment used in ship repair, ship construction, and reconfiguration.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2948, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2948, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (English, Nishihara).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 2477 (Joint) Transportation and Energy and Economic Development, Environment, and Technology on S.B. No. 3044

The purpose and intent of this measure is to:

- (1) Reduce Hawaii's dependence on imported fossil fuels for electrical generation and ground transportation by 2045; and
- (2) Create goals and targets in Hawaii's Clean Energy Initiative and State Planning Act.

Your Committees received testimony in support of this measure from the Blue Planet Foundation, Pacific Biodiesel Technologies, and one individual. Your Committees received testimony in opposition to this measure from the Hawaii Petroleum Marketers Association; Hawaii Petroleum, Inc.; PAR Hawaii; The Alliance of Automobile Manufacturers; and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Office of Economic Development of the County of Kaua'i; and Hawaii Transportation Association.

Your Committees find that Hawaii's dependency on imported fossil fuels drains the State's economy of billions of dollars each year. A stronger local economy depends on a transition away from imported fossil fuel powered ground transportation and toward multi-modal transportation systems powered by renewable local energy resources.

Your Committees further find that climate change caused by greenhouse gas emissions from burning fossil fuels poses a serious threat to the economic well-being, public health, natural resources, and the environment of Hawaii.

Your Committees have amended this measure by:

- (1) Removing language updating Hawaii's Clean Energy Initiative and State Planning Act;

- (2) Establishing the transitional energy working group within the Department of Business, Economic Development, and Tourism to lay the foundation for future renewable energy development that transitions the State away from fossil fuels and to one hundred percent clean electricity in general, beginning with the transportation sector;
- (3) Requiring the transitional energy working group to report its 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 Transportation and Energy and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3044, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3044, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (English, Nishihara).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 2478 Economic Development, Environment, and Technology on S.B. No. 2829

The purpose and intent of this measure is to provide for the review and update of the Hawaii State Planning Act and continue efforts to develop goals and policies to guide the development of the State. Specifically, this measure:

- (1) Requires and provides funding for the Office of Planning to, among other things, review the Hawaii State Planning Act;
- (2) Requires the Office of Planning to report to the Legislature its recommendations for updating the Hawaii State Planning Act to appropriately address the needs of the State; and
- (3) Appropriates funds to review and update the Hawaii State Planning Act.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Agriculture; Office of Planning; and Sierra Club of Hawai'i.

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 by setting 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. Your Committee further finds that 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. The State also faces new constraints and opportunities as it plans for the future. Thus, your Committee finds that a comprehensive review of the Hawaii State Planning Act, chapter 226, Hawaii Revised Statutes, is now warranted.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2829 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Espero, Keith-Agaran, Ruderman).

SCRep. 2479 Economic Development, Environment, and Technology on S.B. No. 3101

The purpose and intent of this measure is to require the Department of Business, Economic Development, and Tourism to conduct a study on the feasibility of establishing a public-private partnership resource agency within the Department of Business, Economic Development, and Tourism, for all state departments, divisions, and agencies to utilize.

Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that the State needs creative mechanisms to generate revenues to address increased spending on public services, repairs, facility maintenance, and backlogged projects. Partnerships with the private sector bring enhanced efficiencies to funding, faster and less expensive project implementation, economic development and investment opportunities, and access to private sector expertise, thus enabling the sustainable management and maintenance of facilities; however, the State lacks a comprehensive process for all agencies to engage in public-private partnerships. This measure requires the Department of Business, Economic Development, and Tourism to lead an effort to determine the feasibility of one option to facilitate partnership efforts.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3101 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 2 (Espero, Keith-Agaran).

SCRep. 2480 (Majority) Economic Development, Environment, and Technology on S.B. No. 2827

The purpose and intent of this measure is to:

- (1) Rename the Hawaii television and film development special fund as the creative media and film infrastructure special fund;
- (2) Broaden the sources of revenue for the creative media and film infrastructure special fund;
- (3) Repeal the Hawaii Television and Film Development Board, which has been inactive for nearly ten years, along with the grant and venture capital programs to be implemented by the Board; and

- (4) Amend the purposes for which the creative media and film infrastructure special fund may be used in order to enable the Department of Business, Economic Development, and Tourism to fulfill its statutory duties regarding the film program.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; County of Kaua'i Office of Economic Development; and Maui County Film Office.

Your Committee finds that Hawaii's film industry brings in an estimated \$250,000,000 in production revenues per year, providing the State with an estimated economic impact of over \$400,000,000 annually. The Hawaii Film Office in the Creative Industries Division of the Department of Business, Economic Development, and Tourism is involved in all aspects of this industry, including fulfilling its statutory duties for film permitting, tax incentive management, and studio operations and management. Your Committee further finds that increased demands on the Hawaii Film Office have stretched already limited staff and resources to capacity, and additional funding and resources are necessary to continue the State's involvement in this high-revenue 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2827, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2827, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, 2 (Espero, Keith-Agaran).

SCRep. 2481 Judiciary and Labor on S.B. No. 2238

The purpose and intent of this measure is to:

- (1) Make conforming amendments to implement a constitutional amendment proposing the establishment of judicial elections; and
- (2) Require the Judiciary, Office of Elections, and Campaign Spending Commission to study appropriate methods of implementing a judicial election system in the State and submit a written report, including proposed legislation, to the Legislature.

Your Committee did not receive any testimony in support of this measure. Your Committee received testimony in opposition to this measure from the Judiciary; Judicial Selection Commission; Office of the Public Offender; Hawaii State Bar Association; Family Law Section of the Hawaii State Bar Association; West Hawai'i Bar Association; Kauai Bar Association; Hawai'i County Bar Association; Hawai'i Women Lawyers; American College of Trial Lawyers; Justice at Stake; American Judicature Society; Common Cause Hawaii; League of Women Voters of Hawaii; American Civil Liberties Union of Hawaii; Hawaii Filipino Lawyers Association; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and fifty individuals. Your Committee received comments on this measure from the Campaign Spending Commission.

Your Committee finds that while Hawaii has a judicial merit selection system, approximately twenty-two states select their state judges through partisan or nonpartisan elections rather than merit selection. Proponents of judicial elections believe that the public should have the opportunity to select judicial candidates in open, contested elections; merit selection does not eliminate politics from the selection process, but instead transfers popular politics to behind-the-scene political control; and that merit selection may exclude minorities from the bench or diminish their chances of filling judicial seats. An amendment to the Hawaii State Constitution would be necessary to implement a judicial election system. Your Committee notes that S.B. No. 2239 (Regular Session of 2016) proposes a constitutional amendment to require judges to be elected to serve six-year terms. This measure makes conforming amendments to the Hawaii Revised Statutes to carry out the requirements of S.B. No. 2239, if that measure is ratified.

However, before considering an amendment to the Hawaii State Constitution to repeal the State's merit selection system and adopting an election process for state justices and judges, your Committee further finds that discussion and planning are necessary. This measure requires a study to ensure that the implementation of a judicial election system would be carried out efficiently and effectively without compromising the integrity of the election process or the State's judicial system.

Your Committee notes the concerns raised in testimony submitted regarding campaign finance issues related to the judicial elections. While much of the testimony, including the Judiciary's comments, refers to the impact of Citizens United v. Federal Election Comm'n, 558 U.S. 310 (2010) in support of the existing Missouri Plan scheme of judicial selection, your Committee further notes that a few bring to your Committee's attention the more recent and relevant discussion regarding the funding of judicial elections in Williams-Yulee v. The Florida Bar, 575 U.S. ___ (2015).

Your Committee recognizes that Hawaii does not have a history of electing its judges, but notes that "[i]n 39 [s]tates, voters elect trial or appellate judges at the polls." Williams-Yulee, 575 U.S. at ___. The United States Supreme Court observed:

Judges are not politicians, even when they come to the bench by way of the ballot. And a [s]tate's decision to elect its judiciary does not compel it to treat judicial candidates like campaigners for political office. A [s]tate may assure its people that judges will apply the law without fear or favor and without having personally asked anyone for money. Williams-Yulee, 575 U.S. at ___ (Roberts, C.J., Plurality Op.).

Your Committee further notes the importance of public confidence in the integrity of judges stems from the place of the Judicial branch in government. Unlike the Executive or Legislative branches, the Judicial branch "has no influence over either the sword or the purse ... neither force nor will but merely judgment." The Federalist No. 78, p. 465 (C. Rossiter ed. 1961) (A. Hamilton) (capitalization altered). The Judiciary's authority therefore depends in large measure on the public's willingness to respect and follow the Judiciary's decisions. As Justice Frankfurter once put it for the Court, "justice must satisfy the appearance of justice." Offutt v.

United States, 348 U.S. 11, 14 (1954); Williams-Yulee, 575 U.S. at _____. Of particular note, Chief Justice Roberts observed: “States may regulate judicial elections differently than they regulate political elections, because the role of judges differs from the role of politicians.” Williams-Yulee, 575 U.S. at _____.

The Judiciary in its testimony refers to “Justice at Risk”, an empirical study by Professor Joanna Shepherd of Emory University, which used sophisticated empirical research techniques to analyze 2,345 business-related state supreme court opinions from all fifty states and over 200,000 contributions to sitting justices. While mentioning one of the conclusions, the Judiciary fails to include in its testimony the conclusion that “[t]he empirical relationship between business contributions and justices’ voting for business interests exist only in partisan and nonpartisan election systems; there is no statistically significant relationship between money and voting in retention elections.” ACS Press Release (June 11, 2013).

Therefore, your Committee believes that further discussion is necessary regarding a constitutional amendment proposing a judicial election system before conforming amendments are made to the Hawaii Revised Statutes. However, further discussion can result from the Judiciary, Office of Elections, and Campaign Spending Commission studying appropriate methods of implementing a judicial election system.

Accordingly, your Committee has amended this measure by:

- (1) Deleting part I, which proposes conforming amendments to the Hawaii Revised Statutes to implement the requirements of S.B. No. 2239 (Regular Session of 2016);
- (2) Making conforming amendments to reflect the deletion of part I;
- (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. 2238, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2238, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Gabbard, Shimabukuro, Thielen). Noes, none. Excused, 1 (Slom).

SCRep. 2482 Judiciary and Labor on S.B. No. 2926

The purpose and intent of this measure is to amend section 231-7.5, Hawaii Revised Statutes, to:

- (1) Change the title of the appeals officer from independent to administrative appeals officer;
- (2) Make a taxpayer or return preparer eligible to petition to participate in the administrative appeals and dispute resolution program and establishing conditions, procedures, and deadlines whereby the taxpayer or return preparer may petition to do so; and
- (3) Establish that the decisions of the administrative appeals officer may not be appealed to the Board of Review or any court.

Your Committee received testimony in support of this measure from the Department of Taxation. Your Committee received comments on this measure from Chamber of Commerce Hawaii and Tax Foundation of Hawaii.

Your Committee finds that the Department of Taxation recently launched the administrative appeals and dispute resolution program to provide taxpayers a streamlined method to quickly and fairly resolve tax disputes over proposed or final assessments. This program works with the Department’s Compliance Division and the taxpayer to settle disputes within six to twelve months, thereby providing a quick and cost effective alternative to litigation. This measure makes amendments to the law relating to the administrative appeals and dispute resolution program to clarify procedural requirements and conform to the appeal programs offered by the Internal Revenue Service.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of Taxation that:
 - (A) Reinstates language that requires, rather than allows, an appeals officer to be authorized to compromise or settle any dispute;
 - (B) Deletes language that disallows decisions of the administrative appeals officer from being appealed to the Board of Review or any court; and
 - (C) Deletes language that requires a taxpayer to withdraw the taxpayer’s appeal to the Board of Review prior to the administrative appeals officer commencing any substantive work toward the resolution of the dispute if the taxpayer has filed an appeal with the Board of 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 S.B. No. 2926, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2926, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2483 Judiciary and Labor on S.B. No. 2694

The purpose and intent of this measure is to:

- (1) Clarify Hawaii's employment security law for independent contractors by:
 - (A) Establishing twenty factors to be used as guidelines for the Department of Labor and Industrial Relations when determining by a preponderance whether an individual could be an independent contractor;
 - (B) Retaining the ability of the Department of Labor and Industrial Relations to determine if an individual is an independent contractor and clarifying that the degree of importance of each factor may vary on a case-by-case basis; and
 - (C) Adding the definitions of "client" and "independent contractor";
- (2) Require the Director of Labor and Industrial Relations to submit a report to the Legislature prior to the convening of the Regular Session of 2017 on the guidelines developed by the unemployment insurance coverage committee to assist auditors during investigations; and
- (3) Require the Director of Labor and Industrial Relations to submit an annual report to the Legislature regarding covered employment determinations prior to the convening of every regular session.

Your Committee received testimony in support of this measure from Chamber of Commerce Hawaii; Maui Chamber of Commerce; and Envisions Entertainment & Productions, Inc. Your Committee received testimony in opposition to this measure from the Department of Labor and Industrial Relations; Hawaii State AFL-CIO; Hawaii Bar Owners Association; and International Longshore and Warehouse Union, Local 142. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that independent contractors are an important part of Hawaii's business community and economy. However, many 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. This measure clarifies the law that determines who qualifies as an independent contractor in order to offer proper protections to legitimate independent contractors and the businesses with which they contract.

Your Committee has amended this measure by:

- (1) Deleting preponderance as a standard by which the Department of Labor and Industrial Relations is to make its determination of whether an individual could be an independent contractor;
- (2) Clarifying under the definition of "independent contractor" that an independent contractor is an individual engaged, rather than customarily engaged, in an independently established trade, occupation, profession, or business, among other requirements, and making a conforming amendment to reflect the deletion of "customarily"; 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. 2694, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2694, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2484 (Joint) Commerce, Consumer Protection, and Health and Economic Development, Environment, and Technology on S.B. No. 75

The purpose and intent of this measure is to establish regulations for behind-the-meter battery recycling under the Department of Health.

Your Committees received testimony in opposition to this measure from the Distributed Energy Resources Council of Hawaii. Your Committees received comments on this measure from the Department of Health and Life of the Land.

Your Committees find that energy storage is a key step in the State's progress toward its renewable energy goals and the elimination of the State's dependence on imported fossil fuels. New and emerging technologies, such as behind-the-meter batteries, may provide a means to achieve the State's renewable energy goals, as commercial and residential customers begin seeking more economical solutions. However, the complexities of these technologies, such as behind-the-meter batteries, and anticipated need to appropriately dispose of devices used in renewable energy production and storage require diligent planning to establish proper recycling procedures of such materials.

Your Committees have amended this measure by deleting its contents and inserting language that:

- (1) Requires the Department of Health to establish the Hawaii battery storage recycling task force to make recommendations for a workable recycling program for battery storage devices in Hawaii;
- (2) Specifies the members of the task force;
- (3) Requires the task force to submit an interim report and final report to the Legislature; and
- (4) Terminates the task force on July 1, 2018.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent

and purpose of S.B. No. 75, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 75, S.D. 2, and be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Galuteria, Keith-Agaran).

SCRep. 2485 Economic Development, Environment, and Technology on S.B. No. 2790

The purpose and intent of this measure is to extend the motion picture, digital media, and film production income tax credit for an additional five years to provide stability and economic incentive predictability for the film industry, allow Hawaii to remain competitive in attracting qualified productions, and generate additional revenue, jobs, and tourism marketing exposure.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development and Tourism; Department of Taxation; NBC Universal Media, LLC; CBS Corporation; SAG-AFTRA Hawaii Local; I.A.T.S.E. Local 665; American Federation of Musicians' Local 677; and Hawaii Teamsters & Allied Workers Local 996. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the film industry in Hawaii is an important component of a diversified economy and that the motion picture, digital media, and film production income tax credit has been effective in stimulating the economy and creating quality jobs in a clean industry while promoting Hawaii as a visitor destination. Your Committee further finds that the film production process can extend over several years due to extensive planning and development in the preproduction stage; therefore, the motion picture, digital media, and film production income tax credit's current sunset date of January 1, 2019, should be extended well in advance of the sunset date to prevent the discouragement of new productions that may be in the development and preproduction phases at that point in time.

Your Committee has amended this measure by:

- (1) Inserting language to require the Department of Business, Economic Development, and Tourism to submit an annual report to the Legislature on the activities and expenditures of the motion picture, digital media, and film production income tax credit; 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, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2790, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2790, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Ruderman).

SCRep. 2486 Ways and Means on S.B. No. 83

The purpose of this short form bill is to amend the law relating to appropriations.

Prior to the hearing on this measure, a proposed S.D. 1 was prepared and made available for public review. Your Committee has adopted the proposed S.D. 1, which amends this measure by:

- (1) Appropriating funds from the tourism special fund for the 2016-2017 fiscal year for the payment of travel expenses and travel subsidies incurred by the University of Hawaii Intercollegiate Athletic Program; and
- (2) Requiring the Governor to determine whether similar funding should continue.

As affirmed by the record of votes of the members 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. 83, as amended herein, and recommends that it be recommitted to your Committee on Ways and Means, in the form attached hereto as S.B. No. 83, S.D. 1, for further consideration.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 5 (Dela Cruz, Inouye, Riviere, Taniguchi, Wakai).

SCRep. 2487 Commerce, Consumer Protection, and Health on S.B. No. 2860

The purpose and intent of this measure is to amend terms for board members of the Board of Nursing and Board of Speech Pathology and Audiology from three to four years.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs; Hawai'i State Center for Nursing; University of Hawai'i at Manoa School of Nursing and Dental Hygiene; Hawai'i Pacific Health; Prime Care Services Hawaii, Incorporated; American Organization of Nurse Executives, Hawaii Chapter; Bradley Kuo, LLC; and four individuals.

Your Committee finds that this measure aligns the terms of board members on the Board of Nursing and Board of Speech Pathology and Audiology with the terms of members serving on the other twenty-three boards and commissions under the Professional and Vocational Licensing Division. Your Committee further finds that these consistent term limits will encourage longevity, continuity, and effectiveness among board members and ensure board members have ample time to adapt to their roles.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2860 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 (Ruderman, Slom).

SCRep. 2488 Commerce, Consumer Protection, and Health on S.B. No. 2341

The purpose and intent of this measure is to make permanent the regulation of respiratory therapists under chapter 466D, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, Office of the Auditor, Hawaii Society for Respiratory Care, Hawaii COPD Coalition, and thirty-one individuals.

Your Committee finds that respiratory therapists provide assessment, therapy, rehabilitation, evaluation, and care for patients with conditions that affect the respiratory system. Respiratory therapists also work and come into contact with patients in a variety of health care settings, including hospitals, skilled nursing facilities, and rehabilitation facilities.

Your Committee further finds that the Auditor is required to evaluate newly enacted regulatory programs prior to each program's repeal date. The regulation of respiratory therapists is scheduled to repeal on June 30, 2016. However, based on the Auditor's report from June 2015, continued regulation of respiratory therapists is warranted to protect the health and safety of consumers, due to the nature of services offered by respiratory therapists. Accordingly, this measure makes permanent the regulation of respiratory therapists in Hawaii.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2341, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2341, 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 (Ruderman, Slom).

SCRep. 2489 (Majority) Judiciary and Labor on S.B. No. 2418

The purpose and intent of this measure is to propose an amendment to the Hawaii State Constitution to provide that the Attorney General be elected to office from among nonpartisan candidates in a general election.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Department of the Attorney General, Crime Victim Compensation Committee, and four individuals.

Your Committee finds that the Attorney General is nominated and, by and with the advice and consent of the Senate, appointed by the Governor. However, there are concerns that an appointed Attorney General creates the perception that the Attorney General is solely the Governor's counsel. Furthermore, there have been numerous prior instances where the Attorney General has a conflict of interest, especially on issues between the executive branch and Legislature. This measure provides for an independent Attorney General who is accountable to the public.

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. 2418 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; Ayes with Reservations (Gabbard, Shimabukuro). Noes, 1 (Thielen). Excused, 1 (Slom).

SCRep. 2490 Commerce, Consumer Protection, and Health on S.B. No. 2862

The purpose and intent of this measure is to allow the Board of Nursing to more fully participate in Nursys, a national nurse licensee database, by sharing license and disciplinary action information.

Your Committee received testimony in support of this measure from the Board of Nursing; University of Hawai'i at Manoa School of Nursing and Dental Hygiene; Hawai'i State Center for Nursing; Hawai'i Pacific Health; Prime Care Services Hawaii, Incorporated; American Organization of Nurse Executives, Hawaii Chapter; Bradley Kuo, LLC; and five individuals.

Your Committee finds that Nursys is a national nurse license database operated by the National Council of State Boards of Nursing. Hawaii is one of four states that do not fully participate in Nursys. Currently, the Board of Nursing submits disciplinary action to Nursys. If a Hawaii-licensed nurse is also licensed in another state, the other state is immediately notified of that disciplinary action. Your Committee further finds that Hawaii's inability to fully participate in Nursys makes it difficult for other states to verify a nurse's license status and may jeopardize consumer protection if the Board of Nursing does not receive timely notices of disciplinary actions taken in other states. Accordingly, this measure allows the Board to fully participate in Nursys by sharing license information, which will enable Hawaii to be timely notified of disciplinary actions taken in another state against a Hawaii licensee. This measure will also enable individual nurses to have their Hawaii nurse licenses verified almost immediately, thus streamlining the verification process and alleviating some of the workload for Board of Nursing staff.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2862 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 (Ruderman, Slom).

SCRep. 2491 Commerce, Consumer Protection, and Health on S.B. No. 2874

The purpose and intent of this measure is to delete statutory references to the Department of Human Services:

- (1) Licensing or certifying health care settings; and
- (2) Investigating and disciplining certified nurse aides employed in health care settings.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and Department of Human Services.

Your Committee finds that Act 93, Session Laws of Hawaii 2012, consolidated the licensing and certifying of various health care settings under the Department of Health Office of Health Care Assurance, rather than the Departments of Health and Human Services. Since the Department of Human Services no longer licenses or certifies programs related to home and community-based case management, community care foster family homes, and adult day care centers, statutory references to the Department performing these functions and disciplining certified nurse aides employed in these programs are obsolete. Accordingly, this measure deletes these obsolete statutory provisions.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2874 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 (Ruderman, Slom).

SCRep. 2492 Commerce, Consumer Protection, and Health on S.B. No. 2333

The purpose and intent of this measure is to add the word "licensed" before the term "marriage and family therapist" in the Hawaii Revised Statutes for clarity.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs and nine individuals. 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 this measure aligns the legal title for Hawaii-licensed marriage and family therapists with the same distinction used for "licensed marriage and family therapist" in forty-eight other states. This change is intended to reduce confusion among the public regarding marriage and family therapists in Hawaii who have met the same standards as individuals with the official title of "licensed marriage and family therapist". According to testimony received by your Committee, without this legal title alignment, Hawaii-licensed marriage and family therapists may be at a disadvantage when they compete against licensed marriage and family therapists from other states for job opportunities.

However, your Committee has heard the concerns of the Regulated Industries Complaints Office that this measure as drafted would narrow the Office's enforcement authority. According to the Regulated Industries Complaints Office, the Office would only be able to enforce chapter 451J, Hawaii Revised Statutes, in situations where a person used the title "licensed marriage and family therapist" without having the appropriate license. However, the Regulated Industries Complaints Office would be unable to take action against a person who used the title "marriage and family therapist" when that person did not possess a license. Amendments to this measure are therefore necessary to address the Regulated Industries Complaints Office's enforcement concerns.

Accordingly, your Committee has amended this measure by adding "or licensed marriage and family therapist" after specific existing references to "marriage and family therapist" within chapter 451J, Hawaii Revised Statutes, rather than merely adding the term "licensed" before these references.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2333, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2333, 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 (Ruderman, Slom).

SCRep. 2493 Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2825

The purpose and intent of this measure is to eliminate the ex officio nonvoting National Aeronautics and Space Administration representative from the Pacific International Space Center for Exploration Systems Board of Directors.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that the ex officio, nonvoting representative of the National Aeronautics and Space Administration (NASA) on the Board of Directors of the Pacific International Space Center for Exploration Systems (PISCES) is counted as a member of the board for purposes of achieving quorum. Historically, the NASA representative has not participated in PISCES board meetings, which often makes it difficult for the board to establish a quorum to conduct business and adopt decisions. For this reason, your Committee finds that the ex officio, nonvoting NASA representative should be eliminated from the board, reducing the number of board members from ten to nine.

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. 2825, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2825, 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, none.

SCRep. 2494 Ways and Means on S.B. No. 2775

The purpose and intent of this measure is to authorize the State to submit and implement a waiver from certain provisions of the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act).

Your Committee received written comments in support of this measure from the Office of the Governor, Department of Labor and Industrial Relations, Office of Enterprise Technology Services, Hawaii Primary Care Association, Healthcare Association of Hawaii, and the Queen's Health Systems.

Your Committee finds that section 1332 of the Affordable Care Act authorizes states to apply for a state innovation waiver, which will allow a state to implement innovative ways to provide access to quality health care. However, the benefits and coverage under Prepaid Health Care do not mirror the employer-sponsored benefits available under the Affordable Care Act. Your Committee further finds that this misalignment between the Affordable Care Act and Prepaid Health Care jeopardizes the robust insurance coverage that thousands of employees across the State have depended on for over forty years. As such, a waiver from certain provisions of the Affordable Care Act, to align Affordable Care Act provisions with Prepaid Health Care's long-standing insurance requirements and processes, is necessary.

Furthermore, your Committee finds that section 1332 of the Affordable Care Act requires state legislatures to sanction the application and implementation of a state innovation waiver. Accordingly, this measure authorizes the State to submit a state innovation waiver proposal to the United States Secretaries of Health and Human Services and the Treasury and implement the waiver upon approval by the Secretaries.

As affirmed by the record of votes of the members 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. 2775 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. 2495 Ways and Means on S.B. No. 2383

The purpose and intent of this measure is to repeal the Hawaii Health Connector and associated references in the Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations and Office of Enterprise Technology Services. The Attorney General provided written comments on the measure.

Your Committee finds that Hawaii's health insurance exchange, the Hawaii Health Connector (Connector), was established in 2011 and charged with implementing applicable parts of the federal Patient Protection and Affordable Care Act of 2010. However, due to Hawaii's small population, the highly successful Prepaid Health Care Act of 1974, and expanded Medicaid coverage that resulted in lower numbers of uninsured residents in the State, the Connector was unable to meet the financial sustainability requirements imposed by the federal government.

Your Committee also finds that the Connector ceased operations on December 4, 2015. The State has since enlisted the assistance of six state departments to comply with federal requirements and ensure a smooth transition for enrollees from the Connector to a state-based marketplace that utilizes the federal platform. Accordingly, this measure repeals the Connector as part of the transition to a federally supported, state-based exchange.

Your Committee has amended the measure by:

- (1) Amending the language contained in section 4 of the measure to more clearly state that the debts and liabilities of the Connector remain the debts and liabilities of the Connector and are not the responsibility of the State; and
- (2) 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 S.B. No. 2383, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2383, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2496 Economic Development, Environment, and Technology on S.B. No. 2819

The purpose and intent of this measure is to change the name of the High Technology Development Corporation to the Hawaii Technology Development Corporation to more accurately describe its mission.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and High Technology Development Corporation.

Your Committee finds that the High Technology Development Corporation, established by the Legislature in 1983, is tasked with the mission to grow the technology and innovation economy. High technology is an important driver in the diversification of Hawaii's

economy and provides quality, high-paying jobs for Hawaii residents. With rapid advancements in telecommunication, the Internet, and automation, “high technology” is now simply referred to as “technology” and has become an integral component of leading business across all industries. Your Committee therefore finds that it is necessary to update the name of the High Technology Development Corporation to better fit its mission and to remove the outdated term “high technology”.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2819 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, 9. Noes, none. Excused, none.

SCRep. 2497 Commerce, Consumer Protection, and Health on S.B. No. 2328

The purpose and intent of this measure is to:

- (1) Provide definitions of “advertising” and “solicitation materials” as they apply to the regulation of real estate brokers and salespersons; and
- (2) Specify information that must be included on advertising and solicitation materials.

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 Real Estate Commission.

Your Committee finds that traditional advertising and marketing materials include physical media, such as business cards, brochures, and flyers, and electronic media, such as electronic mail messages and websites. However, there is a difference between marketing materials that are intended to solicit business and other branded items that are not intended to do so.

Your Committee further finds that a clear definition regarding advertising materials and how these materials may be used do not currently exist in statute or in proposed Hawaii Administrative Rules. This measure defines “advertising” and “solicitation materials” and clarifies what information must be included on advertising and solicitation materials, including the legal or trade name of a brokerage firm and the license number of the brokerage. These requirements benefit consumers, who will have access to important identifying information for brokerage firms, and licensees, who may otherwise be at risk for citation of licensing violations despite best efforts to comply with the law.

Finally, your Committee appreciates the concerns raised in testimony by the Real Estate Commission. However, your Committee believes this measure represents an immediate, practical approach to real estate advertising and solicitation requirements.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2328, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2328, 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. 2498 Commerce, Consumer Protection, and Health on S.B. No. 2669

The purpose and intent of this measure is to clarify the supervision requirements for licensure of clinical social workers, including permitting the supervision requirements to be met through face-to-face supervision or via a Health Insurance Portability and Accountability Act-compliant video conferencing service.

Your Committee received testimony in support of this measure from the National Association of Social Workers, Hawai‘i Chapter and sixteen individuals. Your Committee received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that social workers in Hawaii who are working to complete their licensed clinical social worker requirements must complete three thousand hours of supervised work experience, one hundred hours of which must be by direct face-to-face supervision. Your Committee further finds that certain social workers, particularly those living on the neighbor islands or in rural areas, and those employed by the United States Department of Veterans Affairs, may experience difficulty meeting the direct face-to-face supervision requirement. This is especially true for social workers in rural areas, as there are a limited number of rural social workers who are qualified to provide supervision for applicants for licensure as clinical social workers. Your Committee further finds that this measure is intended to reduce barriers for social workers seeking to complete their licensed clinical social worker supervision requirements.

Your Committee has heard the concern that the deletion of the requirement for individualized supervision for licensed clinical social workers makes it unclear what type of supervision must occur to meet certain supervision requirements. Your Committee has also heard the concern over what constitutes a Health Insurance Portability and Accountability Act-compliant video conference service.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that at least sixty of the one hundred hours of supervision required for licensure as a clinical social worker:
 - (A) Shall have been individualized supervision; and
 - (B) May have been face-to-face or via a video conference service that is compliant with all federal and state privacy, security, and confidentiality laws, including the Health Insurance Portability and Accountability Act of 1996;

- (2) Clarifying that supervision required for licensure as a clinical social worker included review of assessment, clinical diagnosis, and psychotherapy; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2669, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2669, 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 (Ruderman, Slom).

SCRep. 2499 Commerce, Consumer Protection, and Health on S.B. No. 2672

The purpose and intent of this measure is to amend various statutes to clarify the role of advanced practice registered nurses with regard to their authority and participation in the health care system.

Your Committee received testimony in support of this measure from the Board of Nursing; Hawai'i State Center for Nursing; Hawai'i Pacific Health; Prime Care Services Hawaii, Inc.; American Organization of Nurse Executives, Hawaii Chapter; Bradley Kuo, LLC; and five individuals.

Your Committee finds that advanced practice registered nurses provide a wide variety of health care services to people in Hawaii. Section 323-3, Hawaii Revised Statutes, requires each hospital within the State to allow advanced practice registered nurses to practice within the full scope of their practice, including as primary care providers. Advanced practice registered nurses are also recognized as participating primary health care providers for insurance purposes under the State's insurance code.

Your Committee further finds that certain sections within state law omit advanced practice registered nurses from the definitions or designations of health care entities who may provide health care, prescribe drugs, or sign forms. The outdated statutes must be amended to authorize increased participation by advanced practice registered nurses and recognize appropriately trained advanced practice registered nurses as primary care providers. Authorizing increased participation by advanced practice registered nurses in certain circumstances, especially with regard to global signature authority, will enable improved access to health care services, expedite the processing of paperwork, and provide optimal care at the initial point of access for Hawaii patients, especially in rural and underserved areas.

Your Committee has amended this measure by inserting a provision to preserve the amendments made to section 334-59(b), Hawaii Revised Statutes, when that section is reenacted on July 1, 2020, pursuant to section 24 of Act 221, Session Laws of Hawaii 2013.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2672, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2672, 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. 2500 Commerce, Consumer Protection, and Health on S.B. No. 2851

The purpose and intent of this measure is to require the Insurance Commissioner to determine whether 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.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that Act 32, Session Laws of Hawaii 2015 (Act 32), assisted current and future homeowners who reside in lava zone areas in Hawaii County by, among other things, lifting the moratorium on issuing new property insurance policies in these same areas, if residential property insurance was unavailable. However, after the passage of Act 32, a question was raised about how to determine the availability of residential property insurance due to a moratorium. This measure clarifies this question by designating the Insurance Commissioner to make the determination.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2851, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2851, 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. 2501 Commerce, Consumer Protection, and Health on S.B. No. 2852

The purpose and intent of this measure is to amend the Insurance Holding Company Regulatory Act to maintain compliance and accreditation with the National Association of Insurance Commissioners.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs and American Council of Life Insurers.

Your Committee finds that during the Insurance Division of the Department of Commerce and Consumer Affairs' accreditation review in August 2014, the National Association of Insurance Commissioners (NAIC) stated that Hawaii's Insurance Holding Company System Regulatory Act needed to be revised, as changes made to the Act during the Regular Session of 2014 had made

Hawaii noncompliant with NAIC standards. Accordingly, this measure amends Hawaii's Insurance Holding Company Regulatory Act to comply with the NAIC Insurance Holding Company System Regulatory Model Act and maintain the Insurance Division's accreditation with NAIC.

Your Committee has amended this measure by:

- (1) Inserting an effective date of 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2852, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2852, 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. 2502 Commerce, Consumer Protection, and Health on S.B. No. 2885

The purpose and intent of this measure is to authorize the use of birth defects data for education of health care providers to reduce morbidity or mortality and to increase physicians' knowledge of resources available for families of persons with birth defects.

Your Committee received testimony in support of this measure from the Department of Health; American Congress of Obstetricians and Gynecologists, Hawaii Section; and one individual.

Your Committee finds that current state law prohibits the Department of Health from using the information collected on birth defects through its birth defects program for purposes other than advancing medical and public health research, medical education, or public education; provided that approval is given by an institutional review board. This measure will improve health care services in the State through the facilitation of data collection and aid in research, while better assisting primary care physicians in serving high-needs children and their families.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2885, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2885, 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. 2503 Ways and Means on S.B. No. 2550

The purpose and intent of this measure is to require the Office of the Governor to conduct a study of federal funding of state government programs and projects.

Your Committee received testimony in support of this measure from the Office of the Governor and the Department of Budget and Finance.

Your Committee finds that many state government programs and projects receive federal funding. Given the federal budget deficit, your Committee believes that the State should take a cautious approach to budgeting by identifying the dependence of state programs and projects on federal funds and then recommending a policy on the use of federal funds for state programs and projects, especially from non-recurring federal awards.

Your Committee acknowledges the testimony of the Office of the Governor and Department of Budget and Finance that the appropriation in this measure may not be sufficient to perform the study. Thus, your Committee requests that the Office of the Governor set forth its concerns regarding the scope of and funds for the study in the interim report due before the convening of the 2017 Regular Session. By then, your Committee believes that the Office of the Governor will have a clearer picture of the situation.

As affirmed by the record of votes of the members 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. 2550 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, 8. Noes, none. Excused, 3 (English, Galuteria, Harimoto).

SCRep. 2504 Commerce, Consumer Protection, and Health on S.B. No. 2390

The purpose and intent of this measure is to authorize a pharmacy to provide a customized patient medication package to any patient of an institutional facility or any member of the general public, subject to certain conditions.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities. Your Committee received comments on this measure from the Board of Pharmacy.

Your Committee finds that the administration of medication can be a complicated process, especially when it involves multiple solid oral dosage forms. Currently, only individuals residing in an institution may receive medications that are in customized packaging for a single dose, which decreases the chance of an unintentional medication overdose. By allowing a pharmacist to prepare customized patient medication packaging that contains one or more prescribed solid oral dosage forms for a specific patient, individuals with a

developmental disability who require personal assistance in taking their medication will be able to take their medication independently with less risk of over dosage.

Your Committee has amended this measure by:

- (1) Clarifying one of the conditions under which a pharmacy may provide a customized patient medication package to a patient, which includes the pharmacy obtaining the verbal consent of the patient, patient's caregiver, patient's guardian, or prescribing practitioner; and
- (2) Amending the definition of "pharmacist" to have the same meaning as "registered pharmacist" in section 461-1, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2390, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2390, 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. 2505 Commerce, Consumer Protection, and Health on S.B. No. 2523

The purpose and intent of this measure is to allow medical marijuana production centers to be greenhouses, shade houses, and open-air growing operations; provided that they are always secured and not visible from any thoroughfare.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons, The Drug Policy Forum of Hawai'i, Hawai'i Dispensary Alliance, and eighteen individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety. Your Committee received comments on this measure from the Department of Health, Department of the Attorney General, and one individual.

Your Committee finds that chapter 329D, Hawaii Revised Statutes, establishes a medical marijuana dispensary program in the State. In order to grow and manufacture medical marijuana for patients, licensees permitted to operate dispensaries will be allowed up to two production centers.

Your Committee further finds that the Department of Health established interim rules that exclude greenhouses and shade houses as acceptable indoor growing facilities, even though existing state law does allow a greenhouse to be utilized to grow medical marijuana if the greenhouse fits the criteria described in chapter 329D, Hawaii Revised Statutes. There are also concerns related to the high electricity costs associated with an enclosed indoor facility as defined by the Department's administrative rules. Medical marijuana growing operations that exclusively utilize artificial light are incredibly energy intensive, which drives up the costs for patients and creates a significant carbon footprint. Greenhouse growing takes advantage of the sun's energy during the daytime, which cuts energy consumption dramatically for production centers. Furthermore, there is a national movement toward secured, solid-wall greenhouses rather than warehouse facilities for the growing of medical marijuana to reduce production costs and carbon footprint impact.

Your Committee has amended this measure by:

- (1) Deleting language that would have allowed production centers to be open-air growing operations;
- (2) Specifying that the contents of greenhouses or shade houses serving as production centers shall not be visible from any street or road used by the public nor visible to adjoining landowners;
- (3) Inserting language to specify that this measure does not affect the medical marijuana dispensary selection process pursuant to section 329D-5, Hawaii Revised Statutes;
- (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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2523, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2523, 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. 2506 (Joint) Commerce, Consumer Protection, and Health and Ways and Means on S.B. No. 2732

The purpose and intent of this measure is to:

- (1) Require the interest earned on the balance of the hurricane reserve trust fund to be retained in the trust fund;
- (2) Require the Board of Directors of the Hawaii Hurricane Relief Fund to conduct a study of the acquisition of a catastrophic hurricane loss financing arrangement with all or a portion of the interest earned in the hurricane reserve trust fund; and
- (3) Appropriate monies from the hurricane reserve trust fund for the study.

Your Committees received testimony in support of this measure from the Department of Defense; Hawaii Emergency Management Agency; Hawai'i Association of REALTORS; Ho'omana Pono, LLC; and one individual. Your Committees received comments on this measure from the Board of Directors of the Hawaii Hurricane Relief Fund.

Your Committees find that since 2002, the interest earned on the balance of the hurricane reserve trust fund has been transferred and deposited into the general fund. This transfer to the general fund helped mitigate the revenue shortfalls that affected the State during

the Great Recession. However, now that the economy of Hawaii has improved and general fund revenues from tax sources have and are projected to increase at fairly healthy annual rates, your Committees further find that the general fund no longer needs the interest transferred from the hurricane reserve trust fund. Accordingly, this measure requires the interest earned on the balance of the hurricane reserve trust fund to be retained in the trust fund.

Your Committees note that the Board of Directors has previously indicated that the acquisition of a hurricane loss financing arrangement would be a valuable option for the Board to consider. However, your Committees also note that whether this type of financing arrangement would be feasible, practical, affordable, and in the public interest cannot be determined without some kind of exploration. Accordingly, this measure requires the Board of Directors to conduct a study of the acquisition of a catastrophic hurricane loss financing arrangement with all or a portion of the interest earned in the hurricane reserve trust fund. Your Committees additionally find that this study could lead to other avenues to fund the State's overall recovery after a devastating hurricane.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2732 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2507 (Majority Ways and Means on S.B. No. 2836)

The purpose and intent of this measure is to make appropriations for collective bargaining and related cost items for state law enforcement officers and state and county ocean safety and water safety officers who comprise collective bargaining unit (14), and their excluded counterparts.

Specifically, this measure provides a vehicle to appropriate funds for:

- (1) Collective bargaining cost items in the agreement negotiated with the exclusive bargaining representative of collective bargaining unit (14); and
- (2) Salary adjustments and other cost adjustments for state officers and employees excluded from collective bargaining and who belong to the same compensation plans as those officers and employees within collective bargaining unit (14).

Your Committee received written comments in support of this measure from the Department of Budget and Finance and the Hawaii Government Employees Association.

Your Committee finds that the Department of Budget and Finance and the Hawaii Government Employees Association expect the arbitration panel to issue a decision in late February regarding salary and other cost adjustments for employees within collective bargaining unit (14). Your Committee further finds that this measure provides a vehicle to appropriate funds if an arbitration decision is issued during the 2016 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. 2836, 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. 2508 Ways and Means on S.B. No. 2670

The purpose and intent of this measure is to reduce the surcharge on behavior analyst license and renewal fees from \$100 to \$50.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that having licensed behavior analysts is crucial for the well-being of the State. Behavior analysts can spend upwards of \$1,000 to obtain and maintain their licenses. Many licensed behavior analysts are only paid hourly and receive minimal benefits. Your Committee believes that reducing the surcharge on behavior analyst license and renewal fees will lessen the financial burden faced by licensed behavior analysts and encourage behavior analysts to become licensed, thereby increasing the number of licensed behavior analysts available 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. 2670 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2509 Ways and Means on S.B. No. 2030

The purpose and intent of this measure is to specify that the financing of certain types of dissemination, distribution, republication, and use of election campaign material prepared by a candidate is not considered a contribution to the candidate.

Specifically, this measure provides that contributions to candidates exclude financing for the use of campaign material:

- (1) By the candidate that prepared the material;
- (2) In communications opposing the candidate who prepared the material; or
- (3) In a news story or editorial by an independent broadcast station or publisher of periodicals or newspapers,

in addition to the existing exemption for the use of campaign material by candidates for Governor or Lieutenant Governor to support co-candidates in the general election.

Your Committee received written comments in support of this measure from the Campaign Spending Commission.

Your Committee finds that state law and federal regulations differ in regard to whether the financing of certain types of dissemination, distribution, or republication of campaign materials constitutes a contribution to a candidate. This measure promotes clarity and consistency in the democratic process by amending the state law regarding those activities to more closely align with federal regulations.

As affirmed by the record of votes of the members 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. 2030, 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 (English, Galuteria, Harimoto).

SCRep. 2510 Ways and Means on S.B. No. 2029

The purpose and intent of this measure is to strengthen the enforcement of state campaign finance laws.

More specifically, this measure amends the campaign finance law regarding administrative fines to:

- (1) Clarify that the fines that the Campaign Spending Commission may assess against corporations, organizations, associations, labor unions, and their respective directors, officers, and agents may also be assessed against all persons who are not individuals and their directors, officers, and agents;
- (2) Increase the maximum fine that the Commission may assess against a violator who is a person other than an individual from \$1,000 to \$5,000, or an amount equivalent to three times the amount of an unlawful contribution or expenditure;
- (3) Authorize the Commission, in addition to the assessment of an administrative fine, to order a violator of state campaign finance laws to pay for costs incurred by the Commission due to the violation, including but not limited to the cost of investigative services; and
- (4) Require that costs recovered by the Commission be deposited in the Hawaii election campaign fund.

Your Committee received written comments in support of this measure from the Campaign Spending Commission, Common Cause Hawaii, and the League of Women Voters.

Your Committee finds that increased fines against persons who are not individuals are necessary in the Campaign Spending Commission's enforcement cases against independent expenditure committees and other entities. In addition, as three times the amount of an unlawful contribution or expenditure may be imposed against violators who are individuals, it is equitable to extend this penalty to other violators. Your Committee further finds that the recovery of costs from violators and the deposit of those recovered costs into the Hawaii election campaign fund will decrease the fiscal burden that thorough investigations impose on the 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. 2029 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Taniguchi, Slom). Noes, none. Excused, 3 (English, Galuteria, Harimoto).

SCRep. 2511 Ways and Means on S.B. No. 2861

The purpose and intent of this measure is to repeal the Joint Formulary Advisory Committee.

Your Committee received written comments in support of this measure from the Board of Nursing and the Hawaii State Center for Nursing.

Your Committee finds that the Joint Formulary Advisory Committee was established with the sole purpose of recommending to the Board of Nursing an applicable formulary for advanced practice registered nurses. While the Board of Nursing considers the recommendations of the Joint Formulary Advisory Committee, it ultimately makes the final determination of the applicable formulary for advanced practice registered nurses. Accordingly, your Committee believes that the Joint Formulary Advisory Committee is unnecessary and should be repealed as the Board of Nursing has sufficient expertise, resources, and authority to solely determine the applicable formulary.

Your Committee has amended this measure by making a technical non-substantive amendment to accurately reflect the printed version 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. 2861, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2861, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2512 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on S.B. No. 2121

The purpose and intent of this measure is to permit two or more members of a county council to jointly attend and speak at a community, educational, or informational meeting or presentation; provided the meeting or presentation is open to the public.

Your Committees received testimony in support of this measure from the Hawaii State Association of Counties, Hawaii County Council, and four individuals. Your Committees received testimony in opposition to this measure from the Office of Information Practices, League of Women Voters, Civil Beat Law Center for the Public Interest, Common Cause Hawaii, and four individuals.

Your Committees find that members of county councils have a duty to stay informed on developing policy issues throughout their respective counties. Attending public board and community group meetings helps county council members to fulfill that duty and better serve the public. However, your Committees recognize that Act 221, Session Laws of Hawaii 2014 (Act 221), already provides county council members the ability to attend such meetings; that Act 221 will be repealed on June 30, 2016; and that the intent of this measure would be better served by extending Act 221.

Your Committees have therefore amended this measure by:

- (1) Removing proposed new language in section 92-2.5, Hawaii Revised Statutes;
- (2) Amending Act 221 to remove the sunset date;
- (3) Adding language to section 92-3.1, Hawaii Revised Statutes, requiring the county councils to submit annual reports to the Legislature on the effectiveness of the procedures provided in Act 221;
- (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 S.B. No. 2121, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2121, 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. Noes, none. Excused, 1 (Baker).

Judiciary and Labor: Ayes, 6. Noes, none. Excused, 1 (Gabbard).

SCRep. 2513 Commerce, Consumer Protection, and Health on S.B. No. 2384

The purpose and intent of this measure is to require the Department of Health to conduct unannounced visits and relicensing inspections for state-licensed care facilities and medical marijuana dispensaries.

Your Committee received testimony in support of this measure from the Department of Health, State Council on Developmental Disabilities, International Longshore and Warehouse Union Local 142, and one individual. Your Committee received testimony in opposition to this measure from fourteen individuals.

Your Committee finds that the Department of Health is responsible for licensing, certifying, and monitoring several types of facilities, including care facilities and medical marijuana dispensary facilities, to ensure a standard of quality. This measure requires the Department to conduct unannounced visits and relicensing inspections for state-licensed care facilities and medical marijuana dispensaries. According to testimony from the Department of Health, the Department prefers that relicensing or recertification surveys be unannounced in order to maximize the effectiveness of the inspections for these care homes or dispensaries. These unannounced visits will be consistent with all other relicensing inspections of health care facilities under the regulatory responsibility of the Office of Health Care Assurance and are an important safeguard for the public.

Your Committee has heard the testimony from some care home operators expressing concern that the care home operators may be negatively impacted by the unannounced inspections or visits, especially if the care home operators are not at home when the Department of Health arrives to conduct a survey. Your Committee notes these concerns but, after speaking with the Department, concludes that many of these concerns are unfounded. According to the Department, the Department recognizes and understands that care home operators have many responsibilities and cannot always remain in the home. However, if the Department stops by for an inspection or visit and the primary caregiver or homeowner is not home, any patients in the care home must be left in the care of a secondary caregiver. This secondary caregiver will be able to answer any of the questions that the Department may pose, and the primary caregiver's or homeowner's unavailability will not otherwise negatively impact the results of the Department's survey.

The Department indicated to your Committee that if the Department encounters something during a survey that may be out of compliance, the health care facility operator has the ability to respond to and dispute any Department findings. In general, health care facility operators and the Department agree on a plan of correction. The Department testified that it has never closed a facility due to the inability of a health care facility operator to fix a deficiency. Your Committee was reassured after the testimony and discussion with the Department and finds unannounced inspections and visits are an important aspect of consumer protection for patients in the State's care facilities.

Finally, your Committee notes that according to the Department of Health, certain care facilities under the responsibility of the Department are certified, rather than licensed. Amendments to this measure are therefore necessary to reflect this distinction.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Health shall conduct unannounced visits and relicensing or recertification inspections for state-licensed care facilities; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2384, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2384, 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 (Espero, Nishihara). Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 2514 Commerce, Consumer Protection, and Health on S.B. No. 3085

The purpose and intent of this measure is to:

- (1) Clarify the requirements for an individual to become a dental hygienist;
- (2) Repeal the authority of the Board of Dental Examiners to adopt rules to delineate duties of dental assistants and regulatory directives; and
- (3) Prohibit dental assistants from performing certain intra-oral functions and related activities.

Your Committee received testimony in support of this measure from the Hawaii Dental Hygienists' Association and thirty-one individuals. Your Committee received testimony in opposition to this measure from the Hawaii Dental Association and four individuals. Your Committee received comments on this measure from the Board of Dental Examiners and Hawai'i Primary Care Association.

Your Committee finds that since the implementation of the dental anesthesia law in the 1990s, Hawaii's licensed dental hygienists have been held to the highest standards of patient safety and care, including a requirement that all new applicants for dental hygienist licensure be certified in local infiltration anesthesia and block anesthesia. According to testimony received by your Committee, this stringent certification requirement was enforced until recently, when some dental hygienist applicants started to become licensed without a block anesthesia certification. Accordingly, this measure clarifies the original intent behind the requirements for licensure as a dental hygienist by specifying that an applicant must be officially certified in the administration of intra-oral infiltration local anesthesia and officially certified in the administration of intra-oral block anesthesia prior to being licensed in Hawaii as a dental hygienist.

Your Committee further finds that existing law permits duly licensed and registered dentists to employ auxiliary personnel, known as dental assistants, to assist a dentist in the dentist's practice. Like dental hygienists, dental assistants are a valuable part of a dental team. However, dental assistants are not currently licensed or certified in Hawaii and are not required to meet the same stringent standards of training and care as licensed dental hygienists. According to testimony received by your Committee, concerns have been raised over proposed expansion by rule of the duties of a dental assistant, and whether those duties would overlap with duties currently within the scope of practice for licensed dental hygienists.

Your Committee notes that it is important for those in the field of dentistry to be aware of and adhere to legislatively determined parameters regarding duty and scope of practice for licensed dental hygienists. It is also important that unlicensed persons do not infringe upon a particular licensed profession's scope of practice. Your Committee additionally finds that while training and education for dental assistants are important, it is inappropriate for unlicensed auxiliary personnel to be expected or required to perform the very duties, activities, or functions that, if performed by a dental hygienist, would require licensure.

Finally, your Committee concludes that placing language from current and proposed rules into statute will ensure that the duties and training of dental assistants remain clear and do not overlap with the duties and scope of practice for licensed dental hygienists.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that additional duties of dental assistants and regulatory directives may be delineated under rules adopted by the Board of Dental Examiners; provided that these rules shall not infringe upon or overlap or conflict with existing law, including the duties and scope of practice for licensed dental hygienists, rather than repealing the authority of the Board to adopt rules to delineate duties of dental assistants and regulatory directives;
- (2) Specifying the supportive dental procedures a dental assistant may perform under the direct supervision, direction, evaluation, and responsibility of a licensed dentist;
- (3) Requiring dental assistants to be appropriately trained in proper sterilization and disinfection procedures, ethics, proper recordkeeping and patient confidentiality, and cardiopulmonary resuscitation; provided that the training may be provided by:
 - (A) Programs approved or accredited by the Board of Dental Examiners; or
 - (B) A licensed dentist; provided further that a dentist who trains the dentist's auxiliary personnel must first complete a continuing education program on how to train auxiliary personnel;
- (4) Clarifying the activities that dental assistants are prohibited from performing;
- (5) Clarifying that any person licensed under chapter 448, Hawaii Revised Statutes, who instructs or assigns an unlicensed person to perform duties or actions outside the allowable parameters for auxiliary personnel shall be subject to penalties;
- (6) Updating the purpose section;
- (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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3085, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3085, 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 (Ruderman, Slom).

SCRep. 2515 Commerce, Consumer Protection, and Health on S.B. No. 2376

The purpose and intent of this measure is to authorize a beneficiary of a prescription drug benefit plan to obtain a prescription without penalty from a non-network retail community pharmacy located within ten miles of the beneficiary's residence, if the nearest network retail community pharmacy is located ten or more miles away.

Your Committee received testimony in support of this measure from The Queen's Health Systems and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association, Hawai'i Association of Health Plans, and Express Scripts. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, and CVS Health.

Your Committee finds that consumers in rural areas may have limited access to network pharmacies. This measure would provide greater access to pharmaceutical care for beneficiaries who lack sufficient access to a network pharmacy by permitting these beneficiaries to obtain a prescription without penalty from a non-network retail community pharmacy within ten miles of the beneficiary's residence, if the nearest network pharmacy is ten or more miles away.

According to testimony received by your Committee, smaller retail community pharmacies have continued to struggle with reimbursement rates, which affects these pharmacies' ability to remain in business. Independent retail community pharmacies in rural areas are a trusted part of their communities and may be a patient's primary source of information regarding the patient's prescription medications, especially in areas where access to other health care services is extremely limited. Although your Committee notes that legislation passed during the Regular Session of 2015 established guidelines for the reimbursement of prescription medication on a maximum allowable cost basis, your Committee finds that the law has not adequately addressed this reimbursement issue. Your Committee therefore concludes that requiring a dispensing fee to be paid to certain non-network retail community pharmacies is appropriate.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that if a beneficiary utilizes a non-network retail community pharmacy located within ten miles of the beneficiary's residence, the non-network retail community pharmacy shall be reimbursed a \$15 dispensing fee plus the product cost at the higher rate of reimbursement;
- (2) Inserting an effective date of July 1, 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2376, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2376, 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. 2516 (Joint) Water, Land, and Agriculture and Public Safety, Intergovernmental, and Military Affairs on S.B. No. 2257

The purpose and intent of this measure is to expand the candidate pool for membership on a county arborist advisory committee by making the following, in addition to persons actively employed in landscape architecture, eligible: certified arborists, horticulturalists with specialization in trees, and persons who have received a master's degree in botany.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Malama O Puna, and one individual. Your Committees received testimony in opposition to this measure from Ho'omana Pono, LLC.

Your Committees find that the Exceptional Tree Act, Act 105, Session Laws of Hawaii 1975, recognizes the value of trees for their beauty and ecological functions and requires each county to establish a county arborist advisory committee to enact regulations to protect trees of exceptional stature. Your Committees also find that section 58-2, Hawaii Revised Statutes, requires one member of the county arborist advisory committee to be actively employed in the practice of landscape architecture. The County of Hawaii currently has only three landscape architects working within the county, thereby severely limiting the pool of candidates, and, as a result, the County of Hawaii has not had a functioning county arborist advisory committee since 2008. Your Committees therefore find that this is a common sense measure to assist the neighbor islands with the protection of exceptional trees.

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 Water, Land, and 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 S.B. No. 2257, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2257, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Shimabukuro, Wakai).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Espero).

SCRep. 2517 Ways and Means on S.B. No. 2660

The purpose and intent of this measure is to repeal the sunset date of section 501-261.5, Hawaii Revised Statutes, which authorizes owners of registered non-time share interests to deregister those interests from the Land Court System.

Specifically, this measure repeals the sunset date of December 31, 2016, set forth in section 2 of Act 119, Session Laws of Hawaii 2013, as amended by Act 47, Session Laws of Hawaii 2014.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, American Resort Development Association Hawaii, and the legislative counsel for the American Resort Development Association Hawaii.

Your Committee finds that in 2013, the Legislature required that all time share interests be deregistered from recordation in the Land Court System and be recorded in the Bureau of Conveyances System. In addition, the Legislature allowed for the voluntary deregistration of non-time share interests from recordation in the Land Court System, which has been codified as section 501-261.5, Hawaii Revised Statutes. However, the Legislature established a sunset date for section 501-261.5, Hawaii Revised Statutes, which has been subsequently extended to December 31, 2016.

Your Committee further finds that if section 501-261.5, Hawaii Revised Statutes, is allowed to sunset, recordation of the units within a new building that contains both time share and non-time share units could be split with some units recorded in the Land Court System and other units recorded in the Bureau of Conveyances System. Repealing the sunset date of section 501-261.5, Hawaii Revised Statutes, will permanently allow developers to withdraw entire projects from the Land Court System and record the ownership of each unit in the Bureau of Conveyances System, which will help to avoid needless complexity in legal documentation.

As affirmed by the record of votes of the members 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. 2660 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2518 Commerce, Consumer Protection, and Health on S.B. No. 2793

The purpose and intent of this measure is to extend, until June 30, 2023, the provisions of Act 264, Session Laws of Hawaii 2013 (Act 264), which requires the State and the counties to take action within sixty days for broadband-related permit applications, requires the State to take action within one hundred forty-five days for use applications for broadband facilities within the conservation district, establishes other requirements regarding broadband-related permits, and subjects weight load for utility poles to capacities established by the Federal Communications Commission and Public Utilities Commission.

Your Committee received testimony 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; Hawaiian Electric Company, Inc.; Oceanic Time Warner Cable; and Hawaiian Telcom.

Your Committee finds that streamlining broadband permits can facilitate statewide access to affordable, high-speed broadband services. Improvements in the permitting process will allow for more private sector participants, which can lead to increased competition in the State's broadband sector. Your Committee further finds that increasing Hawaii's broadband capacity will have numerous benefits across the State, such as: enabling rapid access to information; accelerating business development; creating telehealth opportunities for the health care industry; enhancing education resources; and improving communications networks. Accordingly, this measure extends the provisions of Act 264, which will enable greater efficiency in the broadband-related permitting process.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2793, 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 (Nishihara, Ruderman, Slom).

SCRep. 2519 Commerce, Consumer Protection, and Health on S.B. No. 2123

The purpose and intent of this measure is to clarify county zoning authority by:

- (1) Distinguishing single-family residential use from single-family vacation rental use; and
- (2) Allowing a zoning ordinance to amortize nonconforming single-family transient vacation rentals over a reasonable period.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Hawai'i State Association of Counties; City and County of Honolulu, Department of Planning and Permitting; County of Kauai, Planning Department; Kailua Neighborhood Board; and five individuals. Your Committee received testimony in opposition to this measure from the Hawai'i Association of REALTORS, Rentals by Owner Awareness Association, and seven individuals.

Your Committee finds that the proliferation of vacation rentals in areas zoned for single-family residential use has created planning-related challenges for counties and highlights the need for clarity in state law governing this issue. Ambiguity in existing law has enabled vacation rental operators to argue their use is residential, despite these operators' obligations to pay transient accommodation taxes and general excise taxes, similar to the taxation obligations of resort-use entities like hotels.

Your Committee further finds that this measure recognizes the counties' home rule authority to treat single-family transient vacation rental use distinctly from single-family residential use and enables the counties to gradually phase out nonconforming single-family transient vacation rentals. Finally, your Committee notes that this measure is intended to clarify the counties' zoning authority. Any effort by the counties to amortize non-conforming vacation rentals would still need to be implemented fully by ordinance.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2123, 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 (Nishihara, Ruderman, Slom).

SCRep. 2520 Commerce, Consumer Protection, and Health on S.B. No. 2040

The purpose and intent of this measure is to clarify that under the Hawaii post-secondary education authorization program, when an institution ceases to operate, the student transcripts shall be kept permanently in a form prescribed by the Director of Commerce and Consumer Affairs and that other records requested and obtained by the Department of Commerce and Consumer Affairs may be disposed of at the Director's discretion.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that existing law requires the Department of Commerce and Consumer Affairs to permanently retain any student transcripts received from an institution that has ceased to operate. Other records obtained from such an institution must be retained for ten years. Your Committee further finds that if a closing institution deposits its records in paper format, the Department may be constrained by space and funding limitations and may be unable to receive and retain these records. The Department recognizes the importance of retaining student transcripts and other student records, but it has concerns that an institution may indiscriminately transfer large quantities of records into the Department's possession during the closure process. Accordingly, this measure authorizes the Department to use its discretion in how student transcripts will be retained and for the Director of the Department to determine how long other student records will be retained. The discretion allowed to the Department and its Director under this measure will enable the Hawaii post-secondary education authorization program to carry out its responsibilities more effectively.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2040, 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 (Nishihara, Ruderman, Slom).

SCRep. 2521 Commerce, Consumer Protection, and Health on S.B. No. 2975

The purpose and intent of this measure is to allow Department of Education employees to administer or assist students in administering blood glucose monitoring tests.

Your Committee received testimony in support of this measure from the Department of Health and eleven individuals.

Your Committee finds that blood glucose monitoring is vitally important to students with diabetes. Under certain circumstances, some students may require immediate assistance administering blood glucose tests. Allowing Department of Education employees to assist students with diabetes in administering such tests will help keep those students medically safe at school, while ensuring that volunteers who provide diabetes care or assistance will receive instruction in blood glucose monitoring from a qualified health professional and will be fully protected from liability.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2975 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

SCRep. 2522 Commerce, Consumer Protection, and Health on S.B. No. 2385

The purpose and intent of this measure is to establish restrictions on sugar-sweetened beverages and certain other beverages served in child care facilities.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, American Heart Association, Hawaii Children's Action Network, Hawai'i Primary Care Association, Hawai'i Public Health Institute, and forty-four individuals. Your Committee received comments on this measure from the Department of Health and Department of Human Services.

Your Committee finds that children derive 10 to 15 percent of their total calories from sugary beverages. Drinking one 12-ounce soda every day increases a child's odds of becoming obese by 60 percent and doubles the risk of dental caries. Childhood obesity has more than tripled in the past 30 years, and one in three children entering kindergarten in Hawaii is overweight or obese. In Hawaii, close to 65,000 children attend some form of non-parental child care. By limiting the type of drinks that are served in child care facilities, an enormous number of calories and related health risks can be avoided.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2385, 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 (Nishihara, Ruderman, Slom).

SCRep. 2523 Commerce, Consumer Protection, and Health on S.B. No. 2245

The purpose and intent of this measure is to exclude certain locally sourced beach sand from the definition of "water pollutant" as used in chapter 342D, Hawaii Revised Statutes, to allow the use of the sand for erosion mitigation on Hawaii's beaches.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources and Hawaii Shore and Beach Preservation 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 Hawaiian Affairs.

Your Committee finds that Hawaii is losing its beaches at an alarming rate due to chronic shoreline retreat and shoreline armoring and that beach erosion is expected to accelerate in the future. Efforts to mitigate beach erosion have been frustrated because sand is currently defined as a water pollutant, despite the fact that sand is a natural occurrence along beaches, stream mouths, and channels. Naturally sourced beach sand should not be considered a pollutant and should be permissible for use when appropriate to help conserve the State's beaches.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2245, 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 (Nishihara, Ruderman, Slom).

SCRep. 2524 Judiciary and Labor on S.B. No. 2429

The purpose and intent of this measure is to:

- (1) Establish the offense of promoting fantasy competition as a violation and create an affirmative defense to the offense under limited situations; and
- (2) Add a definition of "fantasy competition" to section 712-1220, Hawaii Revised Statutes.

Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Police Department, City and County of Honolulu; Hawai'i Coalition Against Legalized Gambling; Hawaii Family Forum; and League of Women Voters of Hawaii. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that a fantasy competition is a contest in which individuals create fictitious sports teams within a particular professional or collegiate sport and serve as the owner, coach, or manager of their own fictitious team. These fictitious teams compete against each other using real world statistics for each athlete. The Department of the Prosecuting Attorney of the City and County of Honolulu testified that although fantasy sports competitions are based on statistical performances of real athletes in real sporting events, fantasy sports competitions are a form of gambling. Accordingly, this measure makes the offense of promoting fantasy competition a violation.

Your Committee notes the testimony from the Department of the Prosecuting Attorney of the City and County of Honolulu and Department of the Attorney General that this measure is unnecessary because existing state gambling laws include similar charges to the proposed offense of promoting fantasy competition. Your Committee further notes the testimony from the Department of the Prosecuting Attorney of the City and County of Honolulu that the definition of "contest of chance" includes fantasy competitions because there is a material degree of chance involved when the fantasy competition is based on the future performance of real world athletes.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have established the offense of promoting fantasy competition as a violation and would have created an affirmative defense under limited situations;
- (2) Including fantasy competitions in the definition of "contest of chance" in section 712-1220, Hawaii Revised Statutes; 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. 2429, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2429, 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 (Thielen). Noes, none. Excused, 1 (Slom).

SCRep. 2525 Judiciary and Labor on S.B. No. 2439

The purpose and intent of this measure is to:

- (1) Establish exceptions to the offense of obstructing government operations and the offense of violation of privacy in the second degree for a person making a video or audio recording or photograph of a law enforcement officer while the officer is in the performance of duties in a public place or under circumstances in which the officer has no reasonable expectation of privacy; provided that the officer may take reasonable action to maintain safety and control, secure crime scenes and accident sites, protect the integrity and confidentiality of investigations, and protect the public safety and order; and
- (2) Establish a one-party consent exception for a person who intercepts a wire, oral, or electronic communication that involves a law enforcement officer when the person is not a party to the communication, under certain circumstances.

Your Committee received testimony in support of this measure from The Libertarian Party of Hawaii and one individual. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Office of the Prosecuting Attorney, County of Kauai; Police Department, City and County of Honolulu; and one individual.

Your Committee finds that with the popularity and widespread use of smart phones with video or audio recording and photographing capabilities, recordings and photos of law enforcement officers who are exercising their duties have been used as evidence in police conduct matters or widely disseminated via social media. However, such recordings and photographs may be seen as obstructing government operations or an invasion of privacy. This measure establishes an exception under certain circumstances to enable a person to record or photograph a law enforcement officer exercising the officer's duties without violating the law.

Your Committee notes the concerns raised in testimony in opposition to the provisions in this measure that establish an exception for a person to intercept a wire, oral, or electronic communication involving a law enforcement officer when the person is not a party to the communication. This exception may have unintended consequences, especially because "law enforcement officer" is broadly defined under section 803-41, Hawaii Revised Statutes, to include any officer in the State or political subdivision who is empowered by law to conduct investigations or make arrests for certain offenses. Accordingly, deputy prosecutors are law enforcement officers under this definition and the exception could have a chilling effect on law enforcement communications, hinder effective investigation and prosecution of criminal activity, and jeopardize the safety of crime victims, the public, and individuals who are in law enforcement custody.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the language under section 3, which would have established a one-party consent exception to intercept communications that involve a law enforcement officer;
- (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. 2439, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2439, 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, 1 (Slom).

SCRep. 2526 Education on S.B. No. 814

The purpose and intent of this measure is to require the Board of Education to name the new high school in Kihei, Maui, in honor of the late United States Representative Patsy Takemoto Mink.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Patsy T. Mink Political Action Committee, YWCA O'ahu, United Public Workers, Hawai'i Friends of Civil Rights, and five individuals. Your Committee received testimony in opposition to this measure from two individuals.

Your Committee finds that the late United States Representative Patsy Takemoto Mink was a strong and unwavering supporter of women's rights. She was born and raised on Maui, and went on to serve the people of Hawaii in various capacities over a political career that spanned more than three decades. The legacy of her leadership includes the Title IX amendment to the Higher Education Act, which prohibits gender discrimination in federally funded institutions. Your Committee finds that, in light of Representative Mink's profound impact on the educational futures of countless young women, naming a school in her honor is an especially appropriate monument to her legacy.

Your Committee has amended this measure by changing the proposed name of the school to the "Patsy Takemoto Mink Kihei High School".

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. 814, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 814, 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 (Dela Cruz, Harimoto, Slom).

SCRep. 2527 Commerce, Consumer Protection, and Health on S.B. No. 2684

The purpose and intent of this measure is to establish motor vehicle insurance requirements for transportation network companies and transportation network company drivers.

Your Committee received testimony in support of this measure from USAA, Hawaii Insurers Council, National Association of Mutual Insurance Companies, and Property Casualty Insurers Association of America. Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice; Uber Technologies, Inc.; and Lyft. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that transportation network companies are entities that use a digital network or software application service to connect passengers with transportation network company drivers. Your Committee further finds that concerns have been raised about potential gaps in motor vehicle insurance coverage associated with transportation network companies. In response, by the end of 2015, twenty-nine states had enacted legislation to establish insurance requirements covering transportation network company activity. This measure protects transportation network company drivers, their passengers, and the public by establishing responsible insurance requirements for the transportation network company industry in Hawaii, including requiring transportation network companies to have primary insurance coverage that specifically covers transportation network company activity; providing clear guidelines for transportation network company activity; and requiring claims cooperation by transportation network companies.

Although your Committee has heard testimony requesting the adoption of the National Conference of Insurance Legislators' Transportation Network Company Model Act, rather than the insurance requirements proposed by this measure, your Committee notes

that Hawaii was not a party to the discussion surrounding the development of the national model. Your Committee concludes that motor vehicle insurance requirements for the transportation network company industry that are tailored to Hawaii's unique market are more appropriate at this time.

Your Committee notes that interested stakeholders have been engaged in discussions regarding this measure, including discussions regarding Hawaii's mandated motor vehicle insurance coverages and concerns related to a possible waiver of rights for passengers who take prearranged rides with a transportation network company driver. After discussions, the interested stakeholders reached an agreement on some language. Your Committee therefore finds that amendments to this measure are necessary to incorporate that language.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying the duration of transportation network company fare, including specifying that the fare concludes when a passenger exits a transportation network company driver's vehicle; provided that when the transportation network company driver is still available for application-generated rides, the driver shall continue to be covered by the transportation network company's motor vehicle insurance;
- (2) Clarifying the motor vehicle insurance requirements that shall be in effect during transportation network company activity, including:
 - (A) Uninsured and underinsured motorist coverage offers and uninsured and underinsured motorist coverage stacking options;
 - (B) Personal injury protection coverage; and
 - (C) Offers of required optional insurance coverages;
- (3) Clarifying the motor vehicle insurance policy requirements applicable during transportation network company activity;
- (4) Requiring a transportation network company insurance carrier to be licensed to do business as a motor vehicle insurance company in Hawaii;
- (5) Specifying that agreements between a transportation network company or transportation network company driver and a passenger that purport to disclaim liability, waive any claim or right to file a lawsuit, or require a passenger to defend, indemnify, or hold harmless a transportation network company or transportation network company driver shall not be valid or enforceable in Hawaii;
- (6) Specifying that this measure shall not limit or affect any motor vehicle insurance policy applicable to a passenger, pedestrian, or person other than a transportation network company driver, while the driver is engaged in transportation network company activity;
- (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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2684, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2684, 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. 2528 Commerce, Consumer Protection, and Health on S.B. No. 2483

The purpose and intent of this measure is to:

- (1) Impose additional requirements upon shippers of fireworks;
- (2) Expand the available exceptions to the general prohibition against using fireworks without a permit; and
- (3) Amend labeling requirements for certain fireworks.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; State Fire Council; Honolulu Fire Department; Hawaii County Fire Department; Kauai Fire Department; and Maui Fire Department.

Your Committee finds that existing law specifies certain requirements for licensed individuals or entities defined as "shippers" who import fireworks into the State. This measure protects the health and safety of the community and the State's first responders by imposing additional requirements on shippers of fireworks, which will ensure a more comprehensive tracking of all shipments of fireworks imported into the State. This measure also amends the labeling size for display fireworks, articles pyrotechnic, and aerial devices, for consistency with nationally recognized standards.

Your Committee further finds that film and television production companies in Hawaii often employ pyrotechnics, which are used under the control of licensed pyrotechnic professionals who can execute these operations precisely and carefully. The exemption from the general prohibition on fireworks contained in this measure will ensure that movie and television production companies with a valid permit can continue to use fireworks, aerial devices, or articles pyrotechnic in a safe manner.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2483, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2483, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

SCRep. 2529 Commerce, Consumer Protection, and Health on S.B. No. 2673

The purpose and intent of this measure is to require a travel agency that sells activities individually or as part of a tour package to register as an activity desk.

Your Committee received testimony in support of this measure from the Activities & Attractions Association of Hawaii, Holo Holo Charters, and Quicksilver Charters. Your Committee received comments on this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that travel agencies may sometimes act as activity desks when the travel agencies sell or arrange activities furnished by an activity provider for travelers. However, these travel agencies are not currently required to register as an activity desk. Accordingly, this measure requires travel agencies that sell activities individually or as part of a tour package to register as an activity desk, which will ensure better protection for those consumers who purchase activities from travel agencies.

Your Committee has heard the concerns raised by the Department of Commerce and Consumer Affairs in testimony. Although the Department agreed that a travel agency that sells activities separately should register as an activity desk, the Department expressed concerns regarding whether travel agencies that sell activities as part of a tour package need to register for two licenses. According to the Department, requiring two licenses may constitute overregulation and may replicate the consumer protections already afforded under chapter 468L, Hawaii Revised Statutes, relating to travel agencies. Furthermore, the Department noted that legislative history indicates that the definition of travel services within chapter 468L, Hawaii Revised Statutes, was expanded in the 1990s to include those who sell visitors' activities. Your Committee notes the Department's concerns and believes this issue merits further discussion as this measure moves through the legislative process.

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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2673, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2673, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

SCRep. 2530 Ways and Means on S.B. No. 2804

The purpose and intent of this measure is to authorize the Department of Budget and Finance to issue up to \$10,000,000 in special purpose revenue bonds on behalf of Big Island Dairy, LLC, for the planning, design, and construction of a new milk processing facility and related appurtenances and costs.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and the Ulupono Initiative. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee notes that there is only one milk processor in the State. The situation places an undue burden on the State's two remaining local dairies, which have to accept the price of milk from the processor or risk discarding their unsold milk. Your Committee finds that Big Island Dairy, LLC's proposed processing facility will provide local dairies the opportunity to choose where to sell their milk, thus creating a more competitive market. 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.

Your Committee has amended this measure by:

- (1) Clarifying that Big Island Dairy, LLC, is a limited liability company; 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. 2804, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2804, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2531 Ways and Means on S.B. No. 2839

The purpose and intent of this measure is to amend the definition of the term "dependent-beneficiary" to clarify the eligibility of children for participation in the Hawaii Employer-Union Health Benefits Trust Fund and to bring the definition of that term in conformance with the federal Patient Protection and Affordable Care Act of 2010.

Your Committee received written comments in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that the birth or adoption of a child by a surviving spouse more than ten months after the death of an employee or retiree was not a situation the Legislature contemplated when establishing the benefits of the Hawaii Employer-Union Health Benefits Trust Fund. However, under the current definition of “dependent-beneficiary,” such a child would be entitled to medical, drug, dental, and vision insurance funded by the State. Your Committee finds that excluding children born or adopted by a surviving spouse more than ten months after the death of an employee or retiree would more closely align with the purpose for which the Hawaii Employer-Union Health Benefits Trust Fund is intended.

Your Committee further finds that the housekeeping amendments made to sections 87A-34(a) and 87A-36(c), Hawaii Revised Statutes, by Senate Bill No. 2838, entitled “Relating to Investments of the Hawaii Employer-Union Health Benefits Trust Fund,” arguably do not fit within the scope of the title of that measure. Your Committee believes that the title of this measure is sufficiently broad to include those housekeeping amendments in this measure.

Your Committee has amended this measure by inserting language from Senate Bill No. 2838, that makes technical nonsubstantive amendments to sections 87A-34(a) and 87A-36(c), 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. 2839, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2839, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 2532 Commerce, Consumer Protection, and Health on S.B. No. 3108

The purpose and intent of this measure is to:

- (1) Ban, as of July 1, 2016, new underground storage tanks within one hundred yards of the shoreline; and
- (2) Prohibit, as of January 1, 2030, operation of and renewal of a permit for an underground storage tank within one hundred yards of the shoreline.

Your Committee received testimony in support of this measure from the Department of Health, Board of Water Supply, Conservation Council for Hawai‘i, and two individuals. Your Committee received testimony in opposition to this measure from Hawaii Petroleum, Inc.; Hawaii Petroleum Marketers Association; Par Hawaii; and one individual.

Your Committee finds that climate change is real and that sea level rise poses a threat to Hawaii’s quality of life. Immediate preparation for sea level rise will protect natural resources and save money in the long term. The inundation of underground storage tanks poses risks to the aquifer as well as coastal water quality and marine ecosystems.

Your Committee further finds that Act 97, Session Laws of Hawaii 2015, updates and extends Hawaii’s Clean Energy Initiative by, among other things, establishing benchmarks for renewable portfolio standards for electric utilities, including establishing a benchmark of 100 percent by December 31, 2045. By prohibiting the operation of underground storage tanks within one hundred yards of the shoreline beginning January 1, 2045, this measure may complement the renewable portfolio standards set forth in Act 97, Session Laws of Hawaii 2015, and assure 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) Specifying that beginning January 1, 2045, no person shall operate an underground storage tank within one hundred yards of the shoreline;
- (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 record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3108, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3108, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

SCRep. 2533 Judiciary and Labor on S.B. No. 2193

The purpose and intent of this measure is to define “person in custody” as used in the offenses of sexual assault in the second degree and third degree to explicitly prohibit certain persons from knowingly subjecting a person who is stopped by or under the control of a law enforcement officer to sexual penetration or sexual contact, respectively.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Hawaii Women’s Coalition; The Sex Abuse Treatment Center; American Association of University Women of Hawaii; and six individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that a recent, well-publicized case in which a law enforcement officer initiated inappropriate sexual contact on a motorist during a traffic stop highlights the need for clarity in the definition of the term “person in custody”. This measure proposes a new definition to broaden the meaning of the term and clarify the range of its potential interpretations.

Your Committee has amended this measure by:

- (1) Adding 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2193, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2193, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Shimabukuro, Slom).

SCRep. 2534 Ways and Means on S.B. No. 2910

The purpose and intent of this measure is to assist in the implementation of the Commissioners of Deeds program.

Specifically, this measure:

- (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;
- (3) Clarifies that the Lieutenant Governor is responsible for the Commissioners of Deeds program;
- (4) Increases the surety bond requirement for Commissioners of Deeds from \$1,000 to \$10,000; and
- (5) Appropriates funds for the establishment and administration of the Commissioners of Deeds program.

Your Committee received written comments in support of this measure from the Office of the Lieutenant Governor, American Resort Development Association, Starwood Vacation Ownership, and Wyndham Vacation Ownership.

Your Committee finds that Act 277, Session Laws of Hawaii 2013, 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.

Your Committee also finds that a working group was convened in 2014 to assist in implementing the Commissioners of Deeds program. The working group determined that additional legislation and authorization would assist with the effective implementation of the Commissioners of Deeds program and ensure the protection of consumers who wish to purchase a time share property located in the State. Your Committee further finds that this measure addresses the issues identified by the working group.

Your Committee has amended this measure by 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 S.B. No. 2910, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2910, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2535 Ways and Means on S.B. No. 2812

The purpose and intent of this measure is to amend the charitable solicitation and registration law.

Specifically, this measure:

- (1) Exempts individuals who prepare grant or subsidy applications from the charitable solicitation and registration requirements;
- (2) Requires professional solicitors to make various disclosures at the start of any contribution solicitation;
- (3) Authorizes the Attorney General to require that professional solicitors submit their end of solicitation campaign financial reports electronically;
- (4) Imposes fees for reports not filed in a timely manner;
- (5) Amends late filing penalties labeled as "fines" to "late filing fees"; and
- (6) Expands the charitable organizations that are exempt from registration and financial disclosure requirements.

Your Committee received written comments in support of this measure from the Department of the Attorney General and Aloha United Way.

Your Committee finds that an investigation related to the Hawaii Police Athletic Federation charitable organization found that a professional solicitor led donors to believe that the charitable organization had contacted the prospective donors, instead of a solicitor paid to obtain donations. This led to donor confusion, while in fact, the professional solicitor had retained eighty percent of the donations. Your Committee believes that the amendments made by this measure will require greater transparency by professional solicitors and help to reduce donor confusion and deception.

Your Committee has amended this measure by:

- (1) Adding a savings clause to ensure that the changes made by the measure do not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date; and

- (2) Changing the effective date to January 1, 2017, to provide professional solicitors, charitable organizations, and other individuals and organizations with adequate notice of the amendments made 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 is in accord with the intent and purpose of S.B. No. 2812, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2812, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2536 Ways and Means on S.B. No. 2863

The purpose and intent of this measure is to improve the regulation of massage therapy establishments, massage therapists, and massage therapist apprentices.

More specifically, this measure:

- (1) Authorizes the Department of Commerce and Consumer Affairs to issue a citation to any person who holds a license issued by the Board of Massage Therapy and who:
 - (A) Fails to conspicuously display a current massage therapy establishment license and the current licenses and permits of all persons employed by the establishment;
 - (B) Fails to ensure a massage therapist apprentice wears a conspicuously placed name tag stating the apprentice's name and the word "apprentice";
 - (C) Operates a massage therapy establishment without a licensed principal massage therapist in attendance at all times; or
 - (D) Fails to include a massage therapist's or massage therapy establishment's current license number in any advertisement;
- (2) Establishes a format and procedure for serving citations;
- (3) Provides that a citation may contain an order of abatement and assessment of a fine in the amount of \$250 for each violation; and
- (4) Establishes a process for a licensee to contest a citation.

Your Committee received written comments in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and the Board of Massage Therapy.

Your Committee finds that this measure would promote compliance by Board of Massage Therapy licensees with applicable laws and rules by providing a mechanism to expedite enforcement actions by the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs. Your Committee further finds that this measure would also enable the Regulated Industries Complaints Office to concentrate its enforcement efforts and resources on more serious violations.

Your Committee has amended this measure by:

- (1) Specifying that violations of pertinent administrative rules relating to licensees, in addition to violations of chapter 452, Hawaii Revised Statutes, shall be subject to citations;
- (2) Clarifying to which licensees under chapter 452, Hawaii Revised Statutes, the new provisions apply;
- (3) Adding a definition of "principal massage therapist";
- (4) Providing that the measure does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date; 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 S.B. No. 2863, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2863, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, Inouye, Riviere, Taniguchi).

SCRep. 2537 Ways and Means on S.B. No. 2446

The purpose and intent of this measure is to increase fees that notaries may charge to their clients.

Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that notaries are currently entitled to demand and receive \$5 for many actions including noting protests, administering oaths, taking acknowledgments, and for depositions and official certificates. Your Committee further finds that increasing the notary public fees will generate revenues commensurate with the service notaries provide.

Your Committee has amended this measure by changing the effective date to January 1, 2017, to provide adequate notice of fee increases to notaries and their clients.

As affirmed by the record of votes of the members 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. 2446, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2446, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2538 Judiciary and Labor on S.B. No. 2811

The purpose and intent of this measure is to:

- (1) Allow the family court to terminate parental rights if the court determines by clear and convincing evidence that a child was conceived during an act of rape or sexual assault perpetrated by the parent whose rights are sought to be terminated; and
- (2) Create a presumption that termination of parental rights is in the best interest of the child if the child was conceived as a result of the rape or sexual assault.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Hawaii State Commission on the Status of Women, The Sex Abuse Treatment Center, Women's Caucus of the Democratic Party of Hawai'i, Planned Parenthood Votes Northwest and Hawaii, and two individuals.

Your Committee finds that there are approximately 32,000 rape-related pregnancies each year in the United States. Rape is one of the most under-prosecuted serious crimes, and rapists may use the threat of pursuing custody or parental rights to coerce the survivors into not prosecuting rape. The clear and convincing evidence standard is the most common for terminating parental rights among the fifty states. By changing the standard for termination of parental rights from beyond a reasonable doubt to a clear and convincing evidence standard in cases where a victim of rape or sexual assault became pregnant, this measure satisfies due process while also allowing victims of rape or sexual assault to petition for termination of the perpetrator's parental rights without requiring a criminal conviction.

Your Committee has amended this measure by:

- (1) Inserting an effective 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. 2811, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2811, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 2539 Judiciary and Labor on S.B. No. 2787

The purpose and intent of this measure is to:

- (1) Provide the authority, procedures, and licensing requirements related to the production of industrial hemp as an agricultural product;
- (2) Require the Department of Agriculture to promote industrial hemp research and development of markets for industrial hemp; and
- (3) Exempt the possession, use, sale, or transfer of industrial hemp for research and development purposes from certain criminal offenses involving a detrimental drug.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Farm Bureau; International Longshore and Warehouse Union, Local 142; and four individuals.

Your Committee finds that industrial hemp is well suited to Hawaii's climate and soil and can grow to over ten feet in a short period of time with little water and no pesticides. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products grew to over \$620,000,000 annually in 2014. Industrial hemp has over 25,000 uses, including food, fiber, and fuel products. This measure contributes to the future potential viability of the State's agricultural industry.

Your Committee has amended this measure by:

- (1) Clarifying that the possession, use, sale, or transfer of industrial hemp for research and development does not constitute an offense under part IV of chapter 712, Hawaii Revised Statutes, rather than specifying certain offenses, to conform to the language in S.B. No. 2659, S.D. 1 (Regular Session of 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2787, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2787, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 2540 Judiciary and Labor on S.B. No. 2689

The purpose and intent of this measure is to:

- (1) Establish definitions for "disposable electronic smoking device", "electronic smoking device", "e-liquid", and "reusable electronic smoking device";

- (2) Amend the definitions of “dealer”, “retailer”, “sale” or “sold”, “wholesale price”, and “wholesaler” to include electronic smoking devices and e-liquid;
- (3) Allow electronic smoking devices, packages of electronic smoking devices, containers of electronic smoking devices, e-liquid, packages of e-liquid, and containers of e-liquid to be seized and forfeited if unlawfully sold, possessed, kept, stored, acquired, distributed, or transported;
- (4) Increase the license fee for wholesalers and dealers of cigarettes, tobacco products, electronic smoking devices, and e-liquid; and
- (5) Increase the retail tobacco permit fee for retailers of cigarettes, tobacco products, electronic smoking devices, and e-liquid.

Your Committee received testimony in support of this measure from the Department of Health, American Heart Association, Hawai'i Public Health Institute, and American Cancer Society Cancer Action Network. Your Committee received testimony in opposition to this measure from VOLCANO Fine Electronic Cigarettes, Hawaii Vapers United, Smokeless Hawaii, and six individuals. Your Committee received comments on this measure from the Department of Taxation, Tax Foundation of Hawaii, and one individual.

Your Committee finds that the public health rationale for the regulation of cigarettes and tobacco products is well developed, as tobacco use is the most preventable cause of disease, disability, and death in the United States. In addition to governing specific aspects of tobacco production, sales, and use, Hawaii law also requires retailers, wholesalers, and dealers of cigarettes or tobacco products to obtain a special license or permit. These licenses and permits facilitate the enforcement of the cigarette tax and tobacco tax law under chapter 245, Hawaii Revised Statutes. However, the current license fee for wholesalers and dealers is only \$2.50 a year, while retail tobacco permit fees cost only \$20 a year. These fees should be increased and the law updated to include electronic smoking devices and e-liquid.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 7, 2019, 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. 2689, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2689, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2541 Judiciary and Labor on S.B. No. 2688

The purpose and intent of this measure is to:

- (1) Prohibit, beginning January 1, 2017, the sale or offering for sale of certain e-liquid containers for electronic smoking devices unless the container is child-resistant and, if the container is for an e-liquid product containing nicotine, is labeled with warning language;
- (2) Establish that the sale or offer for sale of certain e-liquid containers is a misdemeanor;
- (3) Establish that any person or business that violates the prohibition on the sale or offer for sale of certain e-liquid containers is liable to any person injured as a result of the violation;
- (4) Establish e-liquid packaging standards in the Hawaii Poison Prevention Packaging Act pursuant to chapter 330C, Hawaii Revised Statutes; and
- (5) Expand the definition of “hazardous substance” as used in the Hawaii Poison Prevention Packaging Act to include e-liquid.

Your Committee received testimony in support of this measure from the Department of Health, University of Hawai'i Cancer Center, University of Hawai'i Student Health Advisory Council, Coalition for a Tobacco-Free Hawai'i, and VOLCANO Fine Electronic Cigarettes. Your Committee received testimony in opposition to this measure from Hawaii Smokers Alliance, 808 Smokes, Smokeless Hawaii, and six individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that the packaging and use of electronic smoking devices are potentially hazardous to the health of Hawaii residents, including Hawaii's children, yet many liquids for electronic smoking devices are offered in flavors and scents that are appealing to children. There are currently no packaging requirements for the sale of e-liquid containers. Stringent packaging and labeling requirements for e-liquid containers will protect young children from inadvertent exposure to the contents of electronic smoking device cartridges and also inform consumers whether an e-liquid product contains nicotine, a highly addictive substance.

Your Committee has amended this measure by:

- (1) Establishing that the sale of certain e-liquid containers is a penalty, rather than a misdemeanor;
- (2) Deleting language establishing that any person or business that violates the prohibition on the sale or offer for sale of certain e-liquid containers is liable to any person injured as a result of the violation;
- (3) Inserting an effecting date of January 7, 2019, 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. 2688, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2688, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2542 Judiciary and Labor on S.B. No. 2677

The purpose and intent of this measure is to:

- (1) Authorize the state Board of Nursing to develop rules necessary to implement mandatory criminal history record checks;
- (2) Beginning with the July 1, 2017, licensing biennium, require all new nurse licensure applicants to submit electronic fingerprints for criminal history record check purposes; and
- (3) Beginning with the July 1, 2019, licensing biennium, require all nurse licensure renewal applicants to submit electronic fingerprints for criminal history record check purposes.

Your Committee received testimony in support of this measure from the University of Hawai'i at Mānoa School of Nursing and Dental Hygiene; Hawai'i Pacific Health; Hawai'i State Center for Nursing; The American Organization of Nurse Executives, Hawaii Chapter; and five individuals. Your Committee received comments on this measure from the Board of Nursing.

Your Committee finds that it is in the best interest of the nursing workforce in Hawaii to ensure safe and quality nursing services are provided to patients in the State. Establishing criminal history record checks for nurses is one way to protect consumers and enhance public safety. Your Committee further finds that the National Council of State Boards of Nursing has proposed a standard, for all states to adopt, that requires a biometrics-based state and federal criminal background check for all nursing applicants, consistent with Public Law No. 92-544. The American Nurses Association and the Council of State Governments also support the use of criminal background checks as part of the nursing licensure process. This measure provides compliance with professional and government standards.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Board of Nursing that:
 - (A) Adds reactivation of licenses as a Board of Nursing duty;
 - (B) Requires the Board of Nursing to request, beginning July 1, 2017, criminal history records of qualified applicants and request, no later than July 1, 2023, criminal history records required for licensees who were issued licenses by the Board prior to July 1, 2017; and
 - (C) Requires the Hawaii Criminal Justice Data Center to provide to the Director of Commerce and Consumer Affairs requested information;
- (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. 2677, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2677, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2543 (Majority) Judiciary and Labor on S.B. No. 2615

The purpose and intent of this measure is to:

- (1) Prohibit persons licensed to provide professional counseling from engaging in sexual orientation change efforts on a person under eighteen years of age or advertising the offering of sexual orientation change efforts on a person under eighteen years of age;
- (2) Establish that a person who is licensed to provide professional counseling who attempts to engage in sexual orientation change efforts or advertise the offering of sexual orientation change efforts on a person under eighteen years of age is subject to disciplinary action by the appropriate professional licensing authority; and
- (3) Establish that advertising the offering of sexual orientation change efforts on a person under eighteen years of age by a person licensed to provide professional counseling is an unfair or deceptive act or practice under section 480-2, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Child and Adolescent Mental Health Division of the Department of Health, Hawai'i Association for Behavior Analysis, Honolulu Council of MoveOn.org., Human Rights Campaign, LGBT Caucus of the Democratic Party of Hawai'i, National Center for Lesbian Rights, Rainbow Family 808, and twenty-three individuals. Your Committee received testimony in opposition to this measure from Hawaii Family Advocates, Hawaii Family Forum, Hawaii Catholic Conference, and ten individuals. Your Committee received comments on this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, and one individual.

Your Committee finds that an American Psychological Association task force conducted a systematic review of peer-reviewed journal literature on sexual orientation change efforts. The task force concluded that sexual orientation change efforts can pose critical health risks to lesbian, gay, and bisexual individuals, including confusion, depression, guilt, helplessness, shame, social withdrawal, suicide, substance abuse, and other negative feelings and behaviors. Implementation of this measure will better protect the physical and psychological well-being of minors, including lesbian, gay, bisexual, and transgender youth, against exposure to serious harms caused by sexual orientation change efforts.

Your Committee encourages the Department of Commerce and Consumer Affairs and practitioner stakeholders to have further discussions and reach a consensus regarding the appropriate licensed professions to be covered by this measure, so that this measure in its final form will itemize an exclusive list of licensed professions, cross-referenced to the relevant chapter in title 25, Hawaii Revised Statutes, or other chapters of the Hawaii Revised Statutes as necessary.

Accordingly, your Committee has amended this measure by:

- (1) Changing the placement of the statutory language proposed by this measure from chapter 436B, Hawaii Revised Statutes, to title 25, Hawaii Revised Statutes;
- (2) Inserting language to clarify that any person who is licensed to provide professional counseling who engages in, in addition to attempts to engage in, sexual orientation change efforts on a person under eighteen years of age is subject to disciplinary action by the appropriate professional licensing authority;
- (3) Deleting language establishing that advertising the offering of sexual orientation change efforts on a person under eighteen years of age by a person licensed to provide professional counseling is an unfair or deceptive act or practice under section 480-2, Hawaii Revised Statutes;
- (4) Revising the purpose section for conciseness;
- (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. 2615, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2615, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Gabbard). Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2544 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2451

The purpose and intent of this measure is to:

- (1) Require the administrative fines for destroying or harvesting koa trees and other trees and plants under section 183-5(c), Hawaii Revised Statutes, to be an amount not to exceed the current market value of the koa tree or other tree or plant destroyed or harvested;
- (2) Clarify that any person who violates a provision of part II of chapter 183, Hawaii Revised Statutes, forest reserves, or any rule adopted pursuant thereto, other than section 183-17, Hawaii Revised Statutes, shall be guilty of a petty misdemeanor; and
- (3) Repeal the general penalty provision in section 183-4, Hawaii Revised Statutes.

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 Department of the Attorney General.

Your Committees find that forest resource thefts are occurring on state lands. The State's forest resources are precious and limited resources worthy of the State's protection. Implementation of this measure will deter unauthorized use of public resources and provide better protection of the State's forest resources.

Your Committees have amended this measure by:

- (1) Inserting language to clarify that the current market value of the koa tree or other tree or plant destroyed or harvested is the current market value at that location; and
- (2) Requiring the maximum administrative fine for destroying or harvesting koa trees and other trees and plants to include the cost of restoration and replacement of the habitat, in addition to a fine to the offender for an amount not to exceed the current market value of the koa tree or other tree or plant destroyed or harvested at that location.

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. 2451, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2451, S.D. 2.

Signed by the Chairs on behalf of the Committees.
Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.
Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2545 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2495

The purpose and intent of this measure is to:

- (1) Require every government procurement officer to attend initial training by the State Procurement Office within sixty days of being appointed or named to the position of procurement officer;
- (2) Require every government procurement officer or the officer's designee to attend follow-up training and development sessions, as determined by the State Procurement Office and, if unable to attend a follow-up or development session, receive written permission from the State Procurement Office in order to be excused from a session;
- (3) Require the State Procurement Office to conduct mandatory follow-up training and development sessions at regular intervals of at least once every twelve months;
- (4) Require the chief procurement officer, or the officer's designee, of each jurisdiction to annually submit, in the form and manner prescribed by the State Procurement Office, a list of the jurisdiction's procurement officers and which procurement officers, if any, have failed to comply with training requirements; and
- (5) Prohibit procurement by a procurement officer who fails to submit the officer's name and evidence of training compliance to the State Procurement Office.

Your Committees received testimony in support of this measure from the State Procurement Office.

Your Committees find that a strong training program for the State's procurement officers is an essential component in the delivery of procurement knowledge and skills. Effective and efficient procurements will allow the State to develop a more proficient workforce of procurement professionals who expend public funds in a manner that is compliant with applicable statutes, rules, and policies.

Your Committees have heard testimony of the State Procurement Office that it will cost \$150,000 per annum to implement a full training program or \$25,600 per annum to implement a Learning Management System, which is a training database to assist the office in assessing the training needs of procurement officers, and it may be necessary to amend these estimates after collaborating with the Department of Human Resources Development.

Your Committees have amended this measure by:

- (1) Requiring every government procurement officer to attend initial training by the State Procurement Office prior to participating in or authorizing any procurement, rather than within sixty days of being appointed or named to the position of procurement officer;
- (2) Requiring the procurement workforce of any governmental body to attend follow-up training and development sessions, rather than just government procurement officers or their designees;
- (3) Making an appropriation to the State Procurement Office, effective July 1, 2016; 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. 2495, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2495, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2546 (Majority Ways and Means on S.B. No. 3038

The purpose and intent of this measure is to establish a temporary program, in counties with a population of less than 200,000, to extend unemployment insurance benefits to qualifying individuals.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations and Hawaii State AFL-CIO. Your Committee received written comments in opposition to this measure from the Building Industry Association of Hawaii.

Your Committee finds that the Hawaiian Commercial and Sugar Company expects to close its operations on Maui later this year. The closure will leave hundreds of current employees without jobs and will force most of them to find employment in different industries. Your Committee believes that this measure will provide additional financial assistance to those and other unemployed workers who may find it difficult to find gainful employment.

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. 3038, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3038, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Harimoto).

SCRep. 2547 Ways and Means on S.B. No. 2294

The purpose and intent of this measure is to require state and county agencies to exercise reasonable care in the maintenance of government records that are subject to public inspection.

Your Committee received written comments in support of this measure from the Office of Information Practices and the Aina Haina Community Association.

Your Committee received written comments in opposition to this measure from the Department of the Corporation Counsel of the City and County of Honolulu.

Your Committee finds that this measure will permit tort claims of negligence against state and county agencies for failing to adhere to a duly adopted records and retention and destruction policy. Your Committee further finds that existing retention and destruction policies may need to be revised to meet the statutory duty imposed under this measure.

Accordingly, your Committee has amended this measure by changing the effective date from upon approval to July 1, 2017, to allow affected agencies sufficient time for compliance with 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. 2294, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2294, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2548 (Majority Ways and Means on S.B. No. 2319)

The purpose and intent of this measure is to require health insurers, including health benefits plans under the Employer-Union Health Benefits Trust Fund and Medicaid managed care programs, to cover reimbursement for contraceptive supplies that are intended to last for up to a twelve-month period for an insured.

Your Committee received written comments in support of this measure from the American Association of University Women, Hawaii; Hawaii Public Health Association; Hawaii Women's Coalition; Hawaii State Coalition Against Domestic Violence; Hawaii State Commission on the Status of Women; Planned Parenthood Votes Northwest and Hawaii; Hawaii Medical Association; CVS Health; and three individuals.

Your Committee received written comments on this measure from the Department of Human Services and the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that statewide efforts to expand women's access to prescription contraceptives, including long-acting reproductive contraceptives, have been shown to help decrease unplanned pregnancies.

As affirmed by the record of votes of the members 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. 2319, 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 (English, Harimoto).

SCRep. 2549 Ways and Means on S.B. No. 2680

The purpose and intent of this measure is to clarify the fee payment process of the Department of Commerce and Consumer Affairs for financial institutions.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure will clarify statutory provisions in the Code of Financial Institutions, especially with regard to the fee payment process, and thereby enhance the Division of Financial Institution's ability to collect fees consistent with the fee schedule.

As affirmed by the record of votes of the members 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. 2680, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, Inouye, Riviere, Taniguchi, Wakai).

SCRep. 2550 Ways and Means on S.B. No. 2008

The purpose and intent of this measure is to revise certain provisions pertaining to Service Area Boards on Mental Health and Substance Abuse.

More specifically, this measure:

- (1) Provides that Service Areas Boards on Mental Health and Substance Abuse shall be established within the Department of Health for administrative purposes; and
- (2) Provides quorum and voting specifications for meetings of Service Area Boards on Mental Health and Substance Abuse.

Your Committee received written comments in support of this measure from the Department of Health. Your Committee received comments on this measure from the Office of Information Practices.

Your Committee finds that statutorily establishing the administrative attachment of Service Area Boards on Mental Health and Substance Abuse with the Department of Health and specifying quorum and voting requirements for board meetings will facilitate administration of the boards and ensure their compliance with requirements for public meetings under chapter 92, 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. 2008, 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 (English, Harimoto).

SCRep. 2551 Ways and Means on S.B. No. 2007

The purpose and intent of this measure is to amend the law that establishes and sets the operating and voting requirements of the State Council on Mental Health.

Specifically, the measure:

- (1) Requires that the principal state agency regarding Medicaid be represented on the State Council on Mental Health;
- (2) Clarifies the council's administrative placement within the Department of Health; and
- (3) Adjusts the council's quorum and voting requirements.

Your Committee received written comments in support of this measure from the Department of Health.

Your Committee finds that this measure will allow the council to gain the Medicaid agency's knowledge and expertise on issues and trends that influence the direction in which the mental health field, as it relates to adults in particular, is headed in this State.

Your Committee notes that if this measure crosses over to the next body of the Legislature, the measure should be reviewed to ensure that it in fact improves, and does not negatively impact, the council's quorum issues.

As affirmed by the record of votes of the members 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. 2007, 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 (English, Harimoto).

SCRep. 2552 Ways and Means on S.B. No. 2887

The purpose and intent of this measure is to amend the definition of "developmental disabilities" in section 333F-1, Hawaii Revised Statutes, to recognize other conditions not currently covered under the existing definition.

Your Committee received written comments in support of this measure from the Department of Health, Disability and Communication Access Board, State Council on Developmental Disabilities, and Special Education Advisory Council.

Your Committee finds that a task force was established in 2014 to review Hawaii's statutory definition of "developmental disabilities." For an individual to be considered to have a developmental disability under the current statutory definition of "developmental disabilities," the individual among other things, must have substantial functional limitations in three or more areas of major life activity. However, infants and young children are unlikely to exhibit the functional limitations required by the current statutory definition, as some of the limitations may not manifest or become observable until later in life.

The task force recommended that the definition of "developmental disabilities" in section 333F-1, Hawaii Revised Statutes, be amended to clarify that a child may be considered to have a developmental disability without meeting three or more of the criteria described in the definition if the child has a high probability of meeting those criteria later in life. Accordingly, your Committee believes that making this amendment will allow more children with developmental disabilities to receive necessary services and will align the State statutory definition of "developmental disabilities" with the federal definition.

As affirmed by the record of votes of the members 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. 2887, 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 (English, Harimoto).

SCRep. 2553 Ways and Means on S.B. No. 2849

The purpose and intent of this measure is to strengthen and clarify the escrow depositories law under Chapter 449, Hawaii Revised Statutes.

Specifically, the measure:

- (1) Authorizes the Commissioner of Financial Institutions to enter into agreements with NMLS to collect and maintain records and process transaction fees related to licensees;
- (2) Requires applicants for licensure and applicants for approval of a proposed change in control of the licensee to provide information and authorizations necessary for the Department of Commerce and Consumer Affairs to conduct a criminal history record check on the applicant's controlling persons and other personnel; and
- (3) Imposes new fees.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, Division of Financial Institutions.

Your Committee finds that this administration measure will enable the Division of Financial Institutions to operate more efficiently and provide greater consumer protection of funds and transactions involving escrow depositories.

As affirmed by the record of votes of the members 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. 2849, 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, Taniguchi, Wakai).

SCRep. 2554 Ways and Means on S.B. No. 3102

The purpose and intent of this measure is to require that state agencies implement inter-agency agreements without entering into a memorandum of agreement or memorandum of understanding.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committee finds that inter-agency agreements provide agencies with an opportunity to coordinate resources and eliminate duplication, without entering into a memorandum of agreement or memorandum of understanding. Your Committee further finds that this measure will provide for a uniform and expedited agreement process between state agencies.

As affirmed by the record of votes of the members 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. 3102, 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, Galuteria).

SCRep. 2555 Transportation and Energy on S.B. No. 2256

The purpose and intent of this measure is to authorize the issuance of driver's licenses with the notation of "veteran" for persons who are veterans of the Korean conflict, including persons who served in the armed forces of the Republic of Korea, who fought under the command of the United Nations led by the United States, during the Korean conflict and are currently United States citizens.

Your Committee received testimony in support of this measure from the Department of Defense Office of Veterans Services, Korean War Veterans Association Aloha Chapter, and one individual.

Your Committee finds that existing law authorizes the imprinting of the term "veteran" on driver's licenses. Existing law further allows veterans of the Korean conflict to have the term "Korea Veteran" imprinted on their motor vehicle license plates.

Your Committee further finds that these brave individuals risked their lives in the Korean conflict in pursuit of freedom for their fellow man and they continue to contribute to our community, our State, and our Country. This measure ensures that veterans of the Korean conflict are given special recognition in statute to honor their service and dedication to American ideals and grant them access to documentation of their veteran status.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2256, 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 (Chun Oakland, English, Gabbard).

SCRep. 2556 Judiciary and Labor on S.B. No. 2675

The purpose and intent of this measure is to:

- (1) Authorize the Board of Dental Examiners, Hawaii Medical Board, and Board of Pharmacy to deny a license to an applicant who has been disciplined by another state or federal agency and the Board of Nursing to deny a license to an applicant who has been disciplined by another state agency;
- (2) Authorize the Board of Dental Examiners, Hawaii Medical Board, Board of Nursing, and Board of Pharmacy to impose the same disciplinary action against a licensee as was taken by another state or federal agency;
- (3) Establish conditions for the disciplinary action;
- (4) Prohibit a licensee from practicing until a final order of discipline is issued if the licensee has been prohibited from practicing in another state; and
- (5) Require any final order of discipline taken to be a public record.

Your Committee received testimony in support of this measure from the Hawaii Dental Association, Hawaii Medical Board, and one individual. Your Committee received comments on this measure from the Regulated Industries Complaints Office, Department of Commerce and Consumer Affairs.

Your Committee finds that timely action in reciprocal discipline cases is a vital aspect of consumer protection. Furthermore, delayed action in reciprocal discipline cases, particularly in emergency situations, can put patients unnecessarily at risk. This measure attempts to ensure timely reciprocal discipline of health care professionals by authorizing certain health care professional licensing agencies to deny a license to an applicant who has been disciplined by another state or federal agency and impose the same disciplinary action against a licensee as was taken by another state or federal agency.

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. 2675, 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 (Kim, Shimabukuro, Slom).

SCRep. 2557 Judiciary and Labor on S.B. No. 2320

The purpose and intent of this measure is to:

- (1) Authorize pharmacists to prescribe and dispense United States Food and Drug Administration-approved self-administered hormonal contraceptives to persons eighteen years of age or older;
- (2) Specify requirements pharmacists must meet prior to prescribing and dispensing contraceptive supplies, including completion of an Accreditation Council for Pharmacy Education program approved by the Board of Pharmacy within every other biennial licensing renewal period;
- (3) Require all insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes, and Medicaid managed care programs, to reimburse pharmacists who prescribe and dispense contraceptive supplies; and
- (4) Amend the definition of “practice of pharmacy” to include a separate provision for the prescribing and dispensing of contraceptive supplies to persons eighteen years of age and older.

Your Committee received testimony in support of this measure from the Hawaii Medical Service Association; Hawaii Medical Association; Hawai'i Public Health Association; CVS Health; Hawaii State Coalition Against Domestic Violence; American Congress of Obstetricians and Gynecologists, Hawaii Section; LGBT Caucus of the Democratic Party of Hawai'i; Planned Parenthood Votes Northwest and Hawaii; and two individuals. Your Committee received testimony in opposition to this measure from the American Council of Life Insurers.

Your Committee finds that many reproductive health experts have long sought to make prescription contraceptives more readily accessible. Under the federal Patient Protection and Affordable Care Act of 2010, contraceptives are required to be covered at a \$0 copayment, thus removing financial barriers for patients and ensuring that patients have better opportunities to receive contraceptive care. This measure supports the movement toward expanded access to prescription contraceptives by authorizing pharmacists to prescribe and dispense contraceptive supplies to persons eighteen years of age and older.

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. 2320, 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 (Kim, Shimabukuro, Slom).

SCRep. 2558 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2298

The purpose and intent of this measure is to adopt a revised version of the Uniform Fiduciary Access to Digital Assets Act, which provides authority to plan for the management and disposition of digital assets.

Your Committees received testimony in support of this measure from the Commission to Promote Uniform Legislation and State Privacy and Security Coalition, Inc. Your Committees received comments on this measure from Google and Facebook, Inc.

Your Committees find that since last year, the Uniform Law Commission has worked to address concerns raised by internet service providers and privacy advocates over the original Uniform Fiduciary Access to Digital Assets Act, which the Uniform Law Commission first adopted in 2014. As a result of those efforts, the Uniform Law Commission has since adopted a revised version of the Uniform Fiduciary Access to Digital Assets Act.

Your Committees further find that the Revised Uniform Fiduciary Access to Digital Assets Act is intended to modernize fiduciary law for the Internet Age. Access to a person's digital property and electronic communications, also known as digital assets, is usually governed by a terms-of-service agreement rather than by property law. Issues may arise when Internet users die or otherwise lose the ability to manage their own digital assets. Accordingly, the Revised Uniform Fiduciary Access to Digital Assets Act, which this measure proposes to adopt, provides Internet users with the ability and authority to plan for the management and disposition of their digital assets, in a manner similar to the process for management and disposition of tangible property.

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. 2298, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2559 (Majority) Ways and Means on S.B. No. 2484

The purpose and intent of this measure is to raise the fireworks display permit fee from \$110 to \$300.

Your Committee received written comments in support of this measure from the fire departments of the County of Hawaii, the County of Maui, the City and County of Honolulu, and the County of Kauai.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee notes that the administrative costs to process, review, and approve the permits have increased. Your Committee finds that this measure will enable the counties to recapture their administrative costs relating to issuing fireworks display 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. 2484 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Galuteria).

SCRep. 2560 (Majority Ways and Means on S.B. No. 2835)

The purpose and intent of this measure is to appropriate funds for collective bargaining unit (8) cost items and related expenses for public employees in collective bargaining unit (8) and their excluded counterparts.

Specifically, this measure appropriates funds for:

- (1) Cost items in the agreement negotiated with the exclusive bargaining representative of collective bargaining unit (8); and
- (2) Salary increases and other cost adjustments for state officers and employees excluded from collective bargaining and who belong to the same compensation plans as those officers and employees within collective bargaining unit (8).

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawaii System, and one individual.

Your Committee finds that in November 2015, an arbitration award was issued for cost adjustments for public employees in collective bargaining unit (8). Your Committee further finds that this measure will appropriate funds for that arbitration award and for state officers and employees excluded from collective bargaining and who belong to the same compensation plans as those officers and employees within collective bargaining unit (8).

As affirmed by the record of votes of the members 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. 2835, 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 (Harimoto).

SCRep. 2561 (Majority Ways and Means on S.B. No. 2837)

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items for public employees belonging to collective bargaining unit (11) and their excluded counterparts.

Specifically, this measure appropriates:

- (1) \$8,447 in fiscal year 2015-2016 and \$33,786 in fiscal year 2016-2017 for cost items negotiated with the exclusive bargaining representative of collective bargaining unit (11); and
- (2) Unspecified sums for state officers and employees excluded from collective bargaining and who belong to the same compensation plans as those officers and employees within collective bargaining unit (11).

Your Committee received written comments in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, and the Hawaii Fire Fighters Association.

Your Committee finds that the Unit (11) Collective Bargaining Agreement for the period of 2011-2017, authorized the parties to reopen negotiations, by February 27, 2015, for employee meal allowances. Pursuant to those reopened negotiations, the parties executed a memorandum of agreement in December 2015 for an increase in the meal allowance. Your Committee further finds that this measure will fund those additional meal-related cost items expected to be incurred during this and the next fiscal year.

As affirmed by the record of votes of the members 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. 2837, 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 (Harimoto).

SCRep. 2562 Ways and Means on S.B. No. 2367

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Hawaii Renewable Resources, LLC, with the development of facilities to process, produce, or recover renewable natural gas, animal feed, soil amendment compost, carbon dioxide, water, and solar electricity on Oahu.

Your Committee received written comments in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, Renewable Energy Action Coalition of Hawaii, and Hawaii Farm Bureau.

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 Budget and Finance.

Your Committee finds that Hawaii Renewable Resources, LLC, offers sustainable solutions for the production of food and renewable energy from the conversion of recovered food and green agricultural crop resources. Hawaii Renewable Resources, LLC, proposes to own, design, build, and operate a project on central Oahu's agricultural lands that would produce natural gas and animal feed and recover products such as water and carbon dioxide for farming operations. Your Committee further finds that the issuance of special purpose revenue bonds for Hawaii Renewable Resources, LLC, will benefit the public without investment or operational risk to the State or counties.

As affirmed by the record of votes of the members 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. 2367 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2563 Ways and Means on S.B. No. 2250

The purpose and intent of this measure is to authorize the counties to make the same short-term investments as that of the state Director of Finance.

Your Committee received written comments in support of this measure from the County of Hawaii and the Department of Finance of the County of Maui.

Your Committee finds that the current law specifies allowable county short-term investments that are no longer in existence. This measure will update the law to bring the counties up to date with available investment markets.

As affirmed by the record of votes of the members 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. 2250 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 2564 Ways and Means on S.B. No. 2551

The purpose and intent of this measure is to require the Judiciary to submit annual reports to the Legislature on the Judiciary's management of non-general funds.

Your Committee received written comments in support of this measure from the Hawaii Civil Rights Commission and the Office of Hawaiian Affairs.

Your Committee finds that Auditor's report no. 15-16, "Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Judiciary," indicated that section 37-47, Hawaii Revised Statutes, which requires executive branch departments to submit annual reports to the Legislature on their management of non-general funds, does not apply to the Judiciary.

Your Committee further finds that the Judiciary should be required to submit information on all non-general funds under its management to the Legislature. Your Committee believes that this information is necessary for a complete understanding of the State's fiscal situation, and this, in turn, will allow the Legislature to make sound budgetary decisions.

As affirmed by the record of votes of the members 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. 2551 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2565 Judiciary and Labor on S.B. No. 2840

The purpose and intent of this measure is to authorize the Department of Health to continue to disclose, including through electronic means, lists of names of persons whose deaths have been recorded by the Department to state agencies that maintain official lists of persons and are prohibited by federal law from sharing information for the lists.

Your Committee received testimony in support of this measure from the Department of Human Services and Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that although the Department of Health is allowed to verify information contained in vital statistics records by employing a process that matches its vital statistics information with information provided by agencies, that process cannot be used by state agencies whose lists are confidential under federal law. Your Committee further finds that some governmental agencies within the State that keep official lists of persons need to know when members on their lists have died. Such notification of death is important in maintaining the integrity of certain programs, such as Medicaid, by stopping unnecessary payments to contracted managed care health plans on behalf of deceased individuals. By allowing the Department of Health to report deaths to state agencies that maintain official lists that are confidential under federal law, this measure assists state agencies in maximizing the accuracy of their official lists and avoiding the overpayment of benefits and waste of public funds.

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. 2840, 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 (Kim, Shimabukuro, Slom).

SCRep. 2566 Tourism and International Affairs on Gov. Msg. Nos. 534 and 535

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAII TOURISM AUTHORITY

G.M. No. 534 KUIIPO KUMUKAHI, for a term to expire 06-30-2016.; and

G.M. No. 535 KUIIPO KUMUKAHI, for a term to expire 06-30-2020

Your Committee has reviewed the statements and experiences that were submitted and explained to your Committee by the nominee and find that Kuuipo Kumukahi possesses the requisite qualifications to be nominated for appointment and reappointment to the Board of Directors of the Hawaii Tourism Authority.

Your Committee received testimony in support of Kuuipo Kumukahi from the Hawaii Tourism Authority, Association of Hawaiian Civic Clubs, Pacific Links International Hawaii Division, Tropical Music Inc., Hawaiian Music Hall of Fame, Pearl Harbor Hawaiian

Civic Club, Tidal Wave Entertainment, and thirteen individuals. Your Committee received comments on the nominee from one individual.

Kuuipo Kumukahi is a self-taught musician of Hawaiian music and song. Her family is deeply rooted in Hawaiian traditions, knowledge, and values. Ms. Kumukahi is known throughout Hawaii and the continental United States and abroad as the “the Sweetheart of Hawaiian music.” She has dedicated her life to producing, preserving, perpetuating, and promoting quality in Hawaiian music as well as the performance of the music of Hawaii in the Hawaiian language.

Ms. Kumukahi served as President of the Hawai‘i Academy of Recording Artists. She is a Co-founder and past President of the Na Lani Eha Hawaiian Civic Club. Besides being a student and performer of Hawaiian music, Ms. Kumukahi conducts lectures for administrators in the Department of Education on topics such as the values of a Hawaiian family. She also has served as a guest lecturer for the Kamehameha Schools focusing on the value of ho‘omakaukau, which is “to be prepared”.

According to testimony of the Hawaii Tourism Authority, Ms. Kumukahi brings insight, intelligence, diplomacy, positivity, and energetic commitment to the Authority. She understands the importance of infusing the aloha spirit into the Authority’s responsibilities of promoting Hawaii as a premier visitor destination. Her talents as an educator and as a cultural practitioner and advisor are invaluable to the mission of the Authority. Her excellent organizational, management, and supervisory skills have served her well and make her an ideal candidate to serve on the Board of Directors of the Hawaii Tourism Authority.

Your Committee takes particular note of Ms. Kumukahi’s oral testimony that she sees the importance of integrating Hawaiian cultural values into Western thought. For example, the Transportation Security Administration (TSA), which is the first and last contact at airports that visitors have with Hawaii, disappointingly turned down an offer from the Hawaii Tourism Authority to instruct TSA personnel on Hawaiian culture. In other words, marketing of Hawaiian culture needs to be more than commercials and advertising - it needs to be integrated on an international level into the fabric of cultural and social interaction between Hawaii and the world.

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, 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 Majority Leader on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Green, Kim, Tokuda).

SCRep. 2567 Ways and Means on S.B. No. 2395

The purpose and intent of this measure is to support the use of telehealth services within the State.

Specifically, this measure requires:

- (1) Medicaid managed care and fee-for-service programs to provide reimbursement for services provided by telehealth in the same manner as those provided in person;
- (2) That services provided by telehealth be consistent with privacy, security, and confidentiality laws;
- (3) Professional liability coverage for services provided by telehealth to the same extent as coverage for services provided in person; and
- (4) Insurers to provide enrollees and subscribers with disclosures related to services provided by telehealth.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities, The Queen’s Health Systems, Healthcare Association of Hawaii, Hawaii Pacific Health, Planned Parenthood Votes Northwest and Hawaii, and two individuals. Your Committee received written comments on this measure from Department of Human Services.

Your Committee finds that due to a shortage of physicians and remoteness of locations, many rural and underserved communities lack access to specialized physicians. Your Committee further finds that these communities would benefit from the use of telehealth. However, artificial barriers such as a lack of health insurance coverage and professional liability insurance coverage limitations discourage qualified physicians from using telehealth to provide medical services to individuals in these communities. Your Committee believes that this measure will assist in reducing barriers to implementing telehealth and will improve the quality of health care in the State.

Your Committee requests that the Department of Human Services work with the next committee that hears this measure to establish an appropriate timeframe for implementing the amendments made 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 is in accord with the intent and purpose of S.B. No. 2395, 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 (English, Harimoto).

SCRep. 2568 Ways and Means on S.B. No. 2021

The purpose and intent of this measure is to extend the special purpose revenue bonds authorization pursuant to Act 89, Session Laws of Hawaii 2011, to assist BioEnergy Hawaii, LLC, with establishing a cogeneration facility and related energy production facilities from June 30, 2016, to June 30, 2021.

Your Committee received written comments in support of this measure from Pacific Waste, Inc.; BioEnergy Hawaii, LLC; and Ulupono Initiative.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that BioEnergy Hawaii, LLC, proposes the development and operation of a bioconversion facility that will sort, separate, and process municipal solid waste into usable materials and feedstock. Your Committee further finds that extending the authorization to issue special purpose revenue bonds for five years will enable BioEnergy Hawaii, LLC, to secure moneys to establish this bioconversion facility.

As affirmed by the record of votes of the members 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. 2021 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2569 Ways and Means on S.B. No. 2845

The purpose of this measure is to formally reconcile general fund cash advances that have not been repaid and to more accurately reflect the State's general fund balance.

Specifically, this measure appropriates from the general revenues of the State:

- (1) \$89,900,000 to repay general fund cash advances to the capital projects fund for the purchase of lands of the former Kapalama Military Reservation; and
- (2) \$13,300,000 to repay general fund cash advances to the Hawaii Health Systems Corporation for its employer contributions to the Employees' Retirement System and to the Employer-Union Health Benefits Trust Fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance and the Hawaii Health Systems Corporation.

Your Committee finds that the State's general fund balance currently reflects repayments for an \$89,900,000 cash advance authorized in 1989 for the purchase of lands of the former Kapalama Military Reservation and for a \$13,300,000 cash advance made in fiscal year 2002-2003 for Hawaii Health Systems Corporation contributions to the Employees' Retirement System and to the Employer-Union Health Benefits Trust Fund. However, these cash advances totaling \$103,200,000 have not been repaid and it appears unlikely that they will be repaid. Consequently, the assets and liabilities of the general fund are currently overstated by \$103,200,000.

Your Committee further finds that making the necessary appropriations and formally reconciling these general fund cash advances will more accurately reflect the general fund balance and actual resources available to finance state programs and 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. 2845 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. 2570 (Joint) Economic Development, Environment, and Technology and Ways and Means on S.B. No. 2541

The purpose and intent of this measure is to authorize the Chief Information Officer of the State to transfer or expend general funds, subject to the approval of the Governor, for projects approved by the Office of Enterprise Technology Services.

Your Committees received written comments in support of this measure from the Department of Education, Department of the Attorney General, and Office of Enterprise Technology Services.

Your Committees find that no clear mechanism exists for the Office of Enterprise Technology Services to transfer general funds to another agency or department for information technology-related contracts of that agency or department. Consequently, once a contract to implement a project has been approved, to comply with existing law, the Office of Enterprise Technology Services must either initiate the technology contract itself or add itself as a third party to the contract. Your Committees also find that authorizing the Office of Enterprise Technology Services to transfer general funds to the agencies and departments to implement technology-related contracts will increase government efficiency and remove unnecessary obstacles to improving the State's information technology.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2541 and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Economic Development, Environment, and Technology: Ayes, 9. Noes, none. Excused, none.
Ways and Means: Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, Inouye, Riviere, Taniguchi).

SCRep. 2571 Transportation and Energy on S.B. No. 2375

The purpose and intent of this measure is to establish a speed limit of sixty-five miles per hour for the Daniel K. Inouye highway.

Your Committee received testimony in support of this measure from the County of Hawaii Game Management Advisory Commission, Hawaii Hunting Association, and five individuals. Your Committee received testimony in opposition to this measure from the Hawaii County Police Department and one individual. Your Committee received comments on this measure from the Department of Transportation.

Your Committee finds that Route 200, known locally as Saddle Road, traverses the width of the Island of Hawai'i, from downtown Hilo to the junction with Hawaii Route 190, near Waimea. The road was considered one of the most dangerous paved roads in the State, with many one-lane bridges and areas of marginally maintained pavement. Most of the road has now been repaved, and major

parts have new re-alignments to modern standards. Saddle Road is now known as the Daniel K. Inouye Highway in honor of the late Senator Daniel K. Inouye.

Your Committee finds that the current speed limit of forty-five miles per hour may not be suitable for the Daniel K. Inouye Highway in certain places, and yet suitable in others.

Your Committee has amended this measure by:

- (1) Raising the speed limit to sixty miles-per-hour beginning at mile marker 19; and
- (2) Clarifying that the speed limit shall be forty-five miles-per-hour or any other speed limit as determined by the department of transportation, beginning at the Pohakuloa training area and ending one-half mile east of the Mauna Kea county park entrance.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2375, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2375, 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 (Chun Oakland, English, Gabbard).

SCRep. 2572 Commerce, Consumer Protection, and Health on S.B. No. 2681

The purpose and intent of this measure is to:

- (1) Require a consumer credit reporting agency to create a protective record for protected consumers, including individuals not older than eighteen years old and incapacitated persons, who do not have an existing credit report; and
- (2) Permit a representative of a protected consumer to place a security freeze on a protected consumer's credit report or protective record.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and the Consumer Data Industry Association.

Your Committee finds that identity theft impacts millions of people in the country each year, with children remaining particularly vulnerable. According to the Identity Theft Assistance Center, one in forty families with children under the age of eighteen had at least one child whose personal information was compromised. Your Committee further finds that identity theft involving minors is especially concerning, as it often goes unchecked and unnoticed for years. This measure safeguards protected consumers by offering these individuals the same protections as other consumers.

However, your Committee has heard the concerns that this measure requires credit files to be created for protected consumers only for the purpose of freezing such files. Stakeholders from the credit industry oppose this, as it could ultimately lead to additional fraud issues. Your Committee notes that Maryland was the first state in the country to pass a law specifically to protect minors from credit fraud, and since that time, a total of twenty-one states have enacted similar laws based on the Maryland model. The Maryland model establishes a new term of art, known as a "record", and then requires consumer credit reporting agencies, on request of a parent or guardian, to freeze the record of a protected consumer, which prevents the creation of credit files for minors and incapacitated persons.

Your Committee additionally finds that interested stakeholders and the Office of Consumer Protection have held discussions regarding whether to adopt a form of the Maryland model, and how to do so in a manner that is in the best interests of Hawaii consumers. Ultimately, the interested stakeholders and the Office of Consumer Protection were able to agree on the majority of the language under discussion. Amendments to this measure are therefore necessary to incorporate the consensus language.

Accordingly, your Committee has amended this measure by:

- (1) Adopting consensus language from industry stakeholders and the Office of Consumer Protection, which:
 - (A) Requires a consumer credit reporting agency to create a record for protected consumers, including minors under the age of sixteen and incapacitated persons, who do not have an existing credit file;
 - (B) Permits a representative of a protected consumer to request a security freeze on the protected consumer's credit report or any record created for the protected consumer;
 - (C) Requires a consumer credit reporting agency to place a security freeze within thirty days after receiving a request;
 - (D) Prohibits the release of a protected consumer's credit report, information, or any record while the security freeze is in place;
 - (E) Specifies the length of time a security freeze for a protected consumer shall remain in effect and the requirements for requesting removal of a security freeze;
 - (F) Specifies that consumer credit reporting agencies may charge a reasonable fee not to exceed \$5 for each placement or removal of a security freeze, but specifying that no fee shall be charged if a protected consumer has been the victim of identity theft or if the protected consumer is under the age of sixteen and already has a credit report;
 - (G) Specifies that a consumer credit reporting agency may remove a security freeze or delete a record for a protected customer if the security freeze was placed or the record was created based on material misrepresentation of fact;
 - (H) Specifies exceptions to the security freeze and record requirements;
 - (I) Clarifies penalties for violations; and

- (J) Inserts definitions;
- (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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2681, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2681, 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 (Ruderman, Slom).

SCRep. 2573 Commerce, Consumer Protection, and Health on S.B. No. 2389

The purpose and intent of this measure is to require:

- (1) All payers of claims for payment for health care services delivered to any person, including providers of public or private health insurance, to submit data and other information to the State Health Planning and Development Agency;
- (2) Health care services claims and payment data to be submitted by health care providers and payers of health care services claims; and
- (3) The State Health Planning and Development Agency to submit acquired data to a University of Hawaii data center.

Your Committee received testimony in support of this measure from the State Health Planning and Development Agency, Office of Enterprise Technology Services, University of Hawai'i System, and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association and Hawaii Association of Health Plans. Your Committee received comments on this measure from the Department of the Attorney General, Department of Human Services, and Healthcare Association of Hawaii.

Your Committee finds that health care payers collect and analyze health care services claims and payment information for federal regulatory compliance and business accounting purposes. Reporting health care services claims and payment information to the State Health Planning and Development Agency, who is tasked with promoting accessibility to quality health care services for all people of the State at a reasonable cost, would support collection analysis, dissemination of medical treatment claims and payment information, transparency in the health care sector, and public policy decision making. This measure also provides access to health care claims payment data and analytics to consumers of health care and state decision makers who regulate health care and insurance.

Your Committee has amended this measure by:

- (1) Requiring that the submittal of data, statistics, and other information be consistent with state and federal laws pertaining to data use and disclosure, privacy, security, and confidentiality laws;
- (2) Requiring that health care providers and payers of health care services claims submit information about the nature of reimbursements and any fees, discounts, incentives, or performance payments affecting the rate of reimbursement from any insurer;
- (3) Specifying that the State Health Planning and Development Agency shall not disclose any individual patient's personal health information in violation of state or federal law;
- (4) Requiring the State Health Planning and Development Agency to initially submit data to the College of Social Sciences, Social Sciences Research Institute, Pacific Health Informatics and Data Center at the University of Hawaii; provided that the University of Hawaii Data Center may opt out of providing data services upon written notification;
- (5) Requiring the entity accepting health care services claims and payment data to enter into a negotiated data sharing agreement with any payer or insurer before data is submitted;
- (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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2389, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2389, 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. 2574 Judiciary and Labor on S.B. No. 2522

The purpose and intent of this measure is to amend the offense of sexual assault in the fourth degree to include a person who knowingly engages in or causes sexual contact with a person who is at least sixteen years old but less than eighteen years old and the person holds a position of trust, power, authority, or supervision over that minor with certain exceptions.

Your Committee received testimony in support of this measure from the Police Department, City and County of Honolulu, Ho'omana Pono, LLC; and two individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender. Your Committee received comments on this measure from the Department of the Prosecuting Attorney, City and County of Honolulu.

Your Committee finds that this measure is aimed at persons, such as teachers or employers, who abuse their position of trust, power, authority, or supervision to engage in sexual contact with a teenager who is sixteen or seventeen years old. However, the Department of the Prosecuting Attorney of the City and County of Honolulu and Office of the Public Defender raised concerns in written testimony that the phrase "position of trust, power, authority, or supervision" is vague and could apply to a number of relationships that the law might not intend to criminalize.

Accordingly, your Committee has amended this measure by:

- (1) Replacing language referring to a position of trust, power, authority, or supervision with language that specifies that a person is contemporaneously acting in a professional capacity to instruct, advise, or supervise the minor;
- (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. 2522, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2522, 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, Shimabukuro, Slom).

SCRep. 2575 Judiciary and Labor on S.B. No. 2247

The purpose and intent of this measure is to provide that the commission of certain offenses of assault and sexual assault in the presence of the victim's minor child is an aggravating factor that the court is required to consider in the sentencing of the defendant convicted of the offense along with other factors under section 706-606, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; and Ho'omana Pono, LLC. Your Committee received comments on this measure from the Office of the Public Defender.

Your Committee finds that research has shown that children who witness assault or domestic violence can suffer severe emotional and developmental difficulties that are similar to those of children who are victims of direct physical and mental abuse. By creating an aggravating factor for the court to consider when sentencing a defendant convicted of certain assault and sex assault offenses committed in the presence of a child, this measure recognizes the impact that witnessing an assault has on a child.

Your Committee notes the testimony submitted by the Department of the Prosecuting Attorney that this measure is substantially similar to section 706-606.4, Hawaii Revised Statutes (HRS), relating to the sentencing of offenses involving abuse of family or household member committed in the presence of a minor. The Department raised concerns that duplicative sentencing statutes may cause unnecessary confusion.

Accordingly, your Committee has amended this measure by:

- (1) Replacing the contents of section 1 with the language suggested by the Department of the Prosecuting Attorney of the City and County of Honolulu that amends section 706-606.4, HRS, to:
 - (A) Delete references to an offense involving the abuse of a family or household member;
 - (B) Delete the requirement that a defendant is or has been a family or household member of either the minor or victim of the offense; and
 - (C) Delete the definition of "family or household member";
- (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. 2247, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2247, 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, Shimabukuro, Slom).

SCRep. 2576 Judiciary and Labor on S.B. No. 2816

The purpose and intent of this measure is to:

- (1) Establish the offense of criminal trespass onto state lands and make the offense a petty misdemeanor; and
- (2) Amend the offense of criminal trespass in the second degree to include and apply to agricultural property owned by the government that is not fenced, enclosed, or otherwise secured in a manner designed to exclude intruders, but has appropriate signage giving notice that the property is government property and that trespassing is prohibited.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of Land and Natural Resources, and Department of Transportation. Your Committee received testimony in opposition to this measure from the Americans for Democratic Action Hawai'i, American Civil Liberties Union of Hawai'i, and two individuals.

Your Committee finds that it is not clear whether existing criminal trespass laws apply to improved state lands, state land on or under any highway, or unfenced, unenclosed, or unsecured agricultural lands owned by the State. This measure addresses the application of criminal trespass laws with respect to state lands to provide a stronger and clearer deterrent to illegal activity.

Your Committee has amended this measure by:

- (1) Deleting references to the “functional equivalent” with respect to signs that provide reasonable notice that the land is government property and that trespassing is prohibited;
- (2) Specifying that for purposes of criminal trespass onto state lands, land is not “improved state land” solely due to state maintenance activities;
- (3) Requiring the Department of the Attorney General to submit a written report to the Legislature prior to the Regular Session of 2018, regarding the extent to which the criminal trespassing laws in this measure have been utilized;
- (4) Inserting a savings clause;
- (5) Inserting a sunset date of January 1, 2021;
- (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. 2816, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2816, 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 (Kim).

SCRep. 2577 Ways and Means on S.B. No. 2131

The purpose and intent of this measure is to restore the fuel license tax on naphtha fuels sold for use in a power generating facility.

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 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. Prior to its repeal, the tax was set at two cents per gallon. However, 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, the tax was repealed on December 31, 2015. Your Committee further finds that it is the intent of this measure to restore the fuel license tax of two cents per gallon for naphtha fuels sold to a power generating facility. This measure has the effect of lowering the tax on such naphtha fuel.

Your Committee has amended this measure by:

- (1) Making corrections to accurately reflect the text of section 243-4(a), Hawaii Revised Statutes; 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. 2131, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2131, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Harimoto).

SCRep. 2578 Judiciary and Labor on S.B. No. 2886

The purpose and intent of this measure is to reduce barriers in accessing mental health care for adolescents by lowering the age of consent to receive treatment from eighteen years old to twelve years old.

Your Committee received testimony in support of this measure from the Judiciary, Department of Health, Hawaii Youth Services Network, and six individuals. Your Committee received testimony in opposition to this measure from four individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that requiring parental consent for minors to receive substance abuse treatment and family planning services may pose a barrier to health care. Minors may find desired mental health services inaccessible due to the discomfort and even opposition caused by obtaining parental consent. By allowing access to mental health services for consenting minors, this measure enables individuals who seek improved emotional well-being to be served in a timely manner.

Your Committee notes that other statutes relating to the ability of minors to consent to services without previous parental consent, including chapter 577D, Hawaii Revised Statutes, relating to primary care services, fix the minimum age at fourteen years old. Your Committee encourages stakeholders to discuss this minimum age issue as the measure moves through the legislative process.

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. 2886, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2886, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Gabbard, Kahele, Thielen). Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2579 Judiciary and Labor on S.B. No. 2802

The purpose and intent of this measure is to require persons who wish to access private land for hunting to first obtain written permission from the land owner or occupier.

Your Committee received testimony in support of this measure from the Department of Agriculture and Hawai'i Farm Bureau. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs and three individuals. Your Committee received comments on this measure from the Hawaii Hunting Association.

Your Committee finds that existing law is inadequate to deter persons with firearms or other weapons from trespassing on lands and potentially causing bodily injury to others, or damage to property, livestock, and crops. These trespassing occurrences have been especially egregious on farms and ranches. This measure will help to mitigate safety and vandalism concerns.

Your Committee notes the concerns raised in testimony submitted by the Office of Hawaiian Affairs that this measure may prevent Native Hawaiians from engaging in their protected traditional and customary gathering constitutional rights.

Accordingly, your Committee has amended this measure by:

- (1) Revising the purpose section for conciseness;
- (2) Allowing written permission to include an expression of permission conveyed and stored by electronic means;
- (3) Adopting the language suggested by the Office of Hawaiian Affairs to require that nothing in this measure shall be construed to infringe on the traditional and customary rights set forth in article XII, section 7, of the Hawaii State Constitution;
- (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. 2802, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2802, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 2580 Judiciary and Labor on S.B. No. 2607

The purpose and intent of this measure is to limit the ways in which the operator of a website, online service, or mobile application working with the Department of Education can use student data.

Your Committee received testimony in support of this measure from the Department of Education, Microsoft, and two individuals.

Your Committee finds that students in Hawaii's schools are growing up in a world that is increasingly interconnected through the Internet, mobile phones, tablets, and other applications of information technology. Improper handling of information technology can cause a user's personal information to become available to other parties who may misuse that data for a wide range of purposes. Students have a reasonable expectation that software, applications, and other information services provided by their school or the Department of Education will be responsibly regulated and free of unnecessary risk. This measure will address privacy concerns and strengthen trust in educational technologies while enabling innovation.

Your Committee has amended this measure by:

- (1) Adopting the amendments suggested by Microsoft that deletes language that would unintentionally weaken the responsibility of third party content providers, applications, and software companies to comply with this measure and protect the privacy of student data; 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. 2607, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2607, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 2581 Judiciary and Labor on S.B. No. 2181

The purpose and intent of this measure is to allow, beginning January 1, 2017, manufacturers of investigational drugs, biological products, or devices to make available such drugs, products, or devices to terminally ill patients under certain conditions.

Your Committee received testimony in support of this measure from the Hawaii Association for Justice.

Your Committee finds that the process of approval for investigational drugs and biological products in the United States protects future patients from premature, ineffective, and unsafe medications and treatments over the long run, but the process often takes many

years. Patients who have a terminal illness do not have the luxury of waiting until an investigational drug or biological product receives final approval from the United States Food and Drug Administration.

Your Committee further finds that patients who have a terminal illness have a fundamental right to pursue the preservation of their own lives by accessing available investigational drugs or biological products. Several states have passed “right-to-try” legislation that makes available experimental drugs without Food and Drug Administration approval to terminally ill patients with no other medication or treatment options.

As this measure moves forward in the legislative process, your Committee encourages further discussion among stakeholders concerning any issues related to the enforcement of restrictions on the use of controlled substances potentially implicated by its scope.

Your Committee has amended this measure by:

- (1) Deleting all references to “devices” and “device”;
- (2) Inserting language to clarify the authorization of manufacturers to make available drugs and products to terminally ill patients under certain conditions notwithstanding section 328-17, Hawaii Revised Statutes;
- (3) Amending the definition of “terminal illness” to remove the word “soon” as it pertains to when a death or state of permanent unconsciousness will occur; 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. 2181, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2181, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2582 Ways and Means on S.B. No. 2317

The purpose and intent of this measure is to improve the State’s knowledge of risk factors for child and maternal deaths.

Specifically, the measure:

- (1) Requires the Director of Health to submit annual reports to the Legislature on child death and maternal death reviews;
- (2) Requires medical facilities to provide information relating to maternal and perinatal deaths to the Department of Health, Hawaii Medical Association, or in-hospital staff committees, and to immunize them from liability for providing the information; and
- (3) Appropriates funds for the Department of Health to conduct child death reviews and to implement a program for the performance of maternal death reviews.

Your Committee received written comments in support of this measure from the Department of Human Services, the Department of Health, the American Congress of Obstetricians and Gynecologists, March of Dimes, The Kapiolani Child Protection Center, Hawaii Pacific Health, Kapiolani Medical Center, Planned Parenthood Votes Northwest and Hawaii, Healthy Mothers Healthy Babies, Hawaii State Commission on the Status of Women, and two individuals.

Your Committee finds that as a vital public health component in the State, comprehensive multidisciplinary child death and maternal death reviews are needed to improve systems of care and prevent child and maternal deaths.

Your Committee notes that, as received by your Committee, the measure appropriates \$150,000 to the Department of Health to conduct child death reviews and to implement a maternal death review program. To ensure sufficient funding in subsequent years, your Committee requests that the department identify the annual recurring costs of the child and maternal death review programs.

Your Committee has amended this measure by:

- (1) Changing 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. 2317, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2317, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 2583 Ways and Means on S.B. No. 2076

The purpose and intent of this measure is to establish a licensing program for persons who sell, dispense, or deliver durable medical equipment to, or service that equipment for, consumers in the State.

Your Committee received written comments in support of this measure from The Queen’s Health Systems, Hawaii Medical Service Association, Hawaii Pacific Health, Healthcare Association of Hawaii, and Hawaii Primary Care Association.

Your Committee finds that in 2013, the United States government established the durable medical equipment competitive bidding program, which sought to lower medical equipment costs for Medicare recipients on the island of Oahu and other metropolitan areas. However, the program has caused significant problems for Oahu patients, including delays in discharge due to extended waiting times

for equipment shipped from the mainland and problems contacting mainland durable medical equipment suppliers. Your Committee also finds that establishing a licensing program will help to ensure that patients receive a minimum level of access to durable medical devices without increasing the costs or reducing availability of durable medical devices.

Your Committee has amended this measure by:

- (1) Clarifying the definition of durable medical equipment supplier; and
- (2) Changing the effective date to January 21, 2017, to provide the Department of Health with time to implement the durable medical equipment supplier license program.

Your Committee requests that the next committee to hear this measure consider providing additional time to the Department of Health to implement the program established 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 is in accord with the intent and purpose of S.B. No. 2076, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2076, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Slom). Noes, none. Excused, 2 (English, Harimoto).

SCRep. 2584 Ways and Means on S.B. No. 2687

The purpose and intent of this measure is to establish a colorectal cancer screening and awareness program within the Department of Health.

This measure also appropriates \$100,000 in general funds to establish the colorectal cancer screening and awareness program.

Your Committee received written comments in support of this measure from the University of Hawaii Cancer Center, American Cancer Society Cancer Action Network, The Queen's Health Systems, and three individuals.

Your Committee finds that colorectal cancer is the second leading cause of cancer deaths in the United States, killing nearly sixty thousand people each year. Regular colorectal cancer screening in those over the age of fifty can reduce these deaths by more than forty percent, which could save one hundred lives in Hawaii annually. Your Committee also finds that Hawaii's colorectal cancer screening rate is in the bottom half of all states and lower than the national average. The establishment of a colorectal cancer screening and awareness program that educates the public about the risks associated with colorectal cancer and the benefits of colorectal cancer screening can help reduce the State's colorectal cancer mortality rate, thus improving the overall well-being of the State.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$100,000 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. 2687, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2687, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 2585 Ways and Means on S.B. No. 2240

The purpose and intent of this measure is to appropriate moneys for the Department of Health to reestablish a Vector Control Branch and hire more full-time employees for vector control.

Your Committee received written comments in support of this measure from the Department of Health, State of Hawaii Department of Defense, Hawaii Emergency Management Agency, Kohala Coast Resort Association, and Hawaii Farm Bureau.

Your Committee finds that, in 2009, cost-cutting measures eliminated the Department of Health's Vector Control Branch and various positions that were responsible for controlling disease vectors such as mosquitoes and rats. Your Committee further finds that the current outbreak of dengue fever on the Island of Hawaii necessitates an appropriation to the Department of Health to reestablish the Vector Control Branch and hire vector control employees to combat this threat.

In its testimony, the Department of Health has indicated that reestablishing the Department of Health Vector Control Branch would require the hiring of thirty-four full-time employees at a cost of \$2,600,000. Your Committee will consider appropriating funds for these purposes in the state budget. However, your Committee notes that the hiring of thirty-four full-time employees at one time may prove problematic. Accordingly, your Committee recommends that the Department of Health consider a more realistic implementation plan that establishes employee positions within the Vector Control Branch in phases.

Your Committee has amended this measure by providing for the hiring of an unspecified number of full-time equivalent vector control positions.

As affirmed by the record of votes of the members 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. 2240, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2240, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2586 Ways and Means on S.B. No. 2853

The purpose and intent of this measure is to adopt the National Association of Insurance Commissioners' model language related to insurer solvency, risk management, and risk retention in order to maintain the State's accreditation.

More specifically, this measure:

- (1) Adopts the National Association of Insurance Commissioners' Risk Management and Own Risk and Solvency Assessment Model Act;
- (2) Applies supplemental provisions, rules, and exceptions for risk-based capital, and related provisions regarding severability and notices of regulatory action, to risk retention captive insurance companies; and
- (3) Adopts the National Association of Insurance Commissioners' Model Risk Retention Act.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs' Insurance Division, Office of Information Practices, American Council of Life Insurers, and the National Association of Mutual Insurance Companies.

Your Committee finds that the National Association of Insurance Commissioners requires that all states adopt its Risk Management and Own Risk and Solvency Assessment Model Act by January 1, 2018, to maintain accreditation. The National Association of Insurance Commissioners also requires Hawaii to amend Hawaii insurance law related to risk retention captive insurance companies and to adopt the Association's Model Risk Retention Act to maintain accreditation. Your Committee therefore finds that this measure is necessary to enable the Department of Commerce and Consumer Affairs to maintain its accreditation with the National Association of Insurance Commissioners.

Your Committee has amended this measure by:

- (1) In the new section 431: -108(c)(1)(B) and (c)(2) added by this measure, specifying that the term "supervisory college" is "referred to" rather than "defined" in section 431:11-107.5, Hawaii Revised Statutes; and
- (2) Clarifying the definition of "material service provider" in the new subsection (d) of section 431K-2, Hawaii Revised Statutes, by conforming separate references to the same fees threshold specified for defense counsel and other qualifying material service providers.

As affirmed by the record of votes of the members 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. 2853, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2853, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, Inouye, Riviere, Taniguchi, Wakai).

SCRep. 2587 Ways and Means on S.B. No. 2854

The purpose and intent of this measure is to make various amendments throughout the Insurance Code to improve clarity and efficiency.

Specifically, the measure amends various provisions in the Insurance Code relating to:

- (1) Property insurance;
- (2) Market conduct;
- (3) Insurance premium taxes;
- (4) Insurance contracts;
- (5) Accident and health insurance;
- (6) Unfair methods of competition;
- (7) Captive insurance companies;
- (8) Mental health and alcohol and drug abuse treatment insurance benefits;
- (9) Hawaii hurricane relief fund;
- (10) Prescription drug benefits;
- (11) Mutual benefit societies; and
- (12) Health maintenance organizations.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, Insurance Division.

Your Committee received written comments on this measure from the Property Casualty Insurers Association of America and the Tax Foundation of Hawaii.

Your Committee finds that this administration measure will update and improve the Insurance Code in a number of different areas.

Your Committee has amended this measure by changing the effective date of most of the measure to July 1, 2050, and the effective date of sections 3 and 4 to January 1, 2051, 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. 2854, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2854, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2588 Ways and Means on S.B. No. 2392

The purpose and intent of this measure is to promote the responsible use of opioid antagonists to treat drug overdoses.

Specifically, the measure:

- (1) Creates immunity for health care professionals and pharmacists who prescribe, dispense, or administer an opioid antagonist such as naloxone hydrochloride during an opioid-related drug overdose;
- (2) Creates immunity for emergency personnel, first responders, and other individuals who possess, furnish, or administer an opioid antagonist during an opioid-related drug overdose;
- (3) Authorizes emergency personnel to administer opioid antagonists;
- (4) Requires Medicaid coverage for opioid antagonists;
- (5) Exempts harm reduction organizations from pharmacy licensure and permitting requirements for opioid antagonists; and
- (6) Requires the Department of Health to provide education and training related to drug overdose recognition, prevention, and response, including opioid antagonist administration.

Your Committee received written comments in support of this measure from the Department of Health, Injury Prevention Advisory Committee, CHOW Project, Hawaii Substance Abuse Coalition, Ku Aloha Ola Mau, Salvation Army Addiction Treatment Services and Family Treatment Services, Drug Policy Forum of Hawaii, and eleven individuals. Your Committee received written comments on this measure from the Department of Human Services, Board of Pharmacy, Board of Nursing, and Hawaii Association for Justice.

Your Committee finds that this measure promotes the public health, safety, and welfare by shielding certain persons from criminal punishment, civil liability, and professional discipline when they administer or distribute opioid antagonists to persons who are suffering from opioid-related drug overdoses.

Your Committee has amended this measure by clarifying that the definition of “health care professional” includes advanced practice registered nurses with prescriptive authority.

As affirmed by the record of votes of the members 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. 2392, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2392, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2589 Ways and Means on S.B. No. 2668

The purpose and intent of this measure is to limit a patient’s out-of-pocket medical costs when services are not covered by the patient’s health plan or are provided by a nonparticipating provider.

Specifically, the measure:

- (1) Requires providers to make certain disclosures to patients about nonemergency services that are not authorized under the patient’s health care plan, prior to providing the services;
- (2) Requires nonparticipating providers to make certain cost disclosures to patients about nonemergency services, prior to providing the services;
- (3) Places a cap on the amount that a nonparticipating provider may charge a patient for services performed without the approval of the patient’s health care plan;
- (4) Protects a patient from being liable to a participating provider for any sums that the patient’s insurer fails to pay; and
- (5) Limits a patient’s out-of-pocket costs for emergency services that are performed by a nonparticipating provider to the out-of-pocket costs that would have been incurred if the services were performed by a participating provider.

Your Committee received written comments in support of this measure from the Hawaii Medical Service Association.

Your Committee received written comments on this measure from the Healthcare Association of Hawaii and Hawaii Pacific Health.

Your Committee finds that balance or “surprise” billings are generally minimized when medical services are covered under a patient’s health care plan and provided by a participating provider. This measure will serve to further promote transparency in the healthcare system by minimizing opportunities for balance billings when medical services are not covered under a patient’s health plan or are not provided by a participating provider.

Your Committee has amended this measure by:

- (1) Clarifying that nonparticipating health care providers, health care facilities, and hospitals must all give prior notice to patients or prospective patients of the amount or estimated amount of a bill for non-emergency health care services; 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. 2668, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2668, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 2590 Water, Land, and Agriculture on S.B. No. 2946

The purpose and intent of this measure is to authorize indigenous Hawaiian architecture on agricultural lands to be used for farm worker housing.

Your Committee received testimony in support of this measure from Ho‘omana Pono, LLC; and six individuals. Your Committee received testimony in opposition to this measure from the Department of Agriculture and City and County of Honolulu Department of Planning and Permitting.

Your Committee finds that indigenous Hawaiian architecture is significant to Hawaiian history and culture. Your Committee finds that utilizing indigenous native Hawaiian architecture for housing will help to preserve the Hawaiian culture and provide communities with low-cost housing alternatives using available local resources. However, your Committee notes the concerns of the Department of Agriculture regarding the safety, potential for abuse, and unintended consequences of this measure and believes this measure should, at this time, apply only to Hawaiian home lands with the intent to ensure that indigenous native Hawaiian architecture be permitted for agricultural purposes, including farmer housing.

Your Committee has therefore amended this measure by:

- (1) Deleting language that would have required each county to adopt ordinances to allow indigenous native Hawaiian architectural practices, styles, customs, techniques, and materials in the county’s building code on land that is used for farming operations as defined in section 165-2, Hawaii Revised Statutes;
- (2) Deleting language that would have allowed in agricultural districts indigenous Hawaiian architecture to be constructed and used to support agricultural activities or indigenous Hawaiian architecture used for farm worker housing;
- (3) Inserting language to require the Department of Hawaiian Home Lands to adopt rules to allow for indigenous native Hawaiian architectural practices on subsistence agricultural lots to be used for agricultural purposes, including for use as farmer housing;
- (4) Amending section 1 to reflect the 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2946, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2946, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

SCRep. 2591 (Majority) Ways and Means on S.B. No. 2323

The purpose and intent of this measure is to ensure that insurance policies issued in the State cover testing for sexually transmitted diseases.

Your Committee received written comments in support of this measure from Planned Parenthood Votes Northwest and Hawaii and Hawaii Medical Service Association. The Department of Commerce and Consumer Affairs and the Hawaii Employer-Union Health Benefits Trust Fund submitted written comments on the measure.

Your Committee finds that testing for sexually transmitted diseases often results in the early detection and treatment of a disease. The early detection of sexually transmitted diseases, such as the human immunodeficiency virus, is paramount to proper health care as it can reduce mortality rates and the spread of sexually transmitted diseases. However, testing rates for sexually transmitted diseases are troublingly low. One of the obstacles to testing for sexually transmitted diseases is the cost. Your Committee believes that requiring insurance providers to cover testing for sexually transmitted diseases will increase early detection and prompt treatment for a larger number of individuals, which will result in a healthier populace.

Your Committee notes that, if this measure does not pass during this legislative session, a resolution will be introduced to request the Auditor to assess the social and financial aspects of requiring insurance providers to cover testing for sexually transmitted diseases.

Your Committee has amended this measure by:

- (1) Inserting language that exempts the measure from section 23-51, 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. 2323, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2323, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Slom). Excused, 2 (English, Harimoto).

SCRep. 2592 Ways and Means on S.B. No. 2928

The purpose and intent of this measure is to strengthen enforcement of general excise tax collection laws.

More specifically, this measure:

- (1) Requires the Department of Taxation to develop an online form, to be filled out by each special event operator, regarding sellers engaging in business at the operator's special events;
- (2) Requires each special event operator to submit the completed form to the Department of Taxation whenever the operator files the operator's periodic general excise tax returns with the department; and
- (3) Authorizes the Department of Taxation to issue citations that include fines to special event operators that fail to comply with the reporting requirements.

Your Committee received written comments 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 special events represent a special challenge to tax law enforcement, since such events often involve primarily cash-based businesses that may or may not be properly licensed. Your Committee recognizes that the Department of Taxation cannot have representatives present at all special events taking place within the State. Your Committee believes that the periodic information required by this measure will help the Department of Taxation identify businesses not currently in compliance with their general excise tax obligations and bring those businesses into compliance.

Your Committee has amended this measure by changing its effective date to January 1, 2017, to give special event operators notice of the measure's requirements before the requirements take effect.

As affirmed by the record of votes of the members 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. 2928, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2928, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2593 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 3011

The purpose and intent of this measure is to make an appropriation to the High Technology Development Corporation for the provision of technology internship grants and development of programs to support the local talent pipeline for the technology industry.

Your Committees received testimony in support of this measure from the High Technology Development Corporation.

Your Committees find the High Technology Development Corporation is a key agency in developing the technology industry in the State. Internships have proven to be an effective way to introduce talent to careers in the technology industry and provide startup companies with resources to help them grow to the next level. This measure will help to support local talent and the High Technology Development Corporation's goal of creating eighty thousand new technology and innovation jobs earning more than \$80,000 per year by 2030.

Your Committees have amended this measure by:

- (1) Adopting language suggested by the High Technology Development Corporation to clarify that the appropriation is to fund technology internships, rather than internship grants, and that the cap of \$1,250 per year applies to the amount each intern may receive, rather than the amount of each grant per intern;
- (2) Deleting the specific appropriation amount to the High Technology Development Corporation;
- (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.

However, your Committees note that the High Technology Development Corporation will need an appropriation of \$125,000 to provide technology internship grants.

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. 3011, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 3011, S.D. 2.

Signed by the Chairs on behalf of the Committees.
Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.
Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2594 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2149

The purpose and intent of this measure is to establish a working group to review and discuss the State's forfeiture laws and make recommendations to improve those laws to better fit their intended purpose.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Department of the Prosecuting Attorney for the City and County of Honolulu, Department of the Prosecuting Attorney for the County of Maui, Office of

the Prosecuting Attorney for the County of Hawaii, and Office of the Prosecuting Attorney for the County of Kauai. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Drug Policy Forum of Hawai'i.

Your Committees find that the intent of asset forfeiture laws is to remove the products or proceeds of crime from the community, while also depriving the owners of those products or proceeds if the owners knew that the property was connected to criminal activity. News stories concerning asset forfeiture abuse have recently brought this issue to the attention of the public. Implementation of this measure will allow a working group, representing a broad spectrum of parties who are experienced in or impacted by asset forfeiture or asset forfeiture laws, to examine the State's asset forfeiture laws and make recommendations on how those laws could better suit their intended purpose.

Your Committees have 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 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. 2149, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2149, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2595 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2355

The purpose and intent of this measure is to:

- (1) Define "substantial commencement" as that term is used in section 205-4(g), Hawaii Revised Statutes;
- (2) Authorize the Land Use Commission to amend, modify, or vacate boundary amendment approvals, special permit approvals, and conditions of direct state concern granted pursuant to section 205-4, Hawaii Revised Statutes, by the motion of the Commission or of any interested party;
- (3) Require conditions of direct state concern relating to boundary amendments and special permits to include but not be limited to conditions that relate to or require the installation of state infrastructure, promote or protect specific state policies, and relate to the public trust doctrine; and
- (4) Authorize the Land Use Commission to fine parties who fail to comply with conditions of direct state concern after they have been notified of violations of the conditions.

Your Committees received testimony in support of this measure from the Office of Planning, Land Use Commission, Conservation Council for Hawai'i, and three individuals. Your Committees received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii and Building Industry Association of Hawaii. Your Committees received comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu.

Your Committees find that the only remedy currently available to the Land Use Commission when a petitioner fails to perform according to the conditions and requirements of a land use district boundary amendment is to grant an order to show cause pursuant to section 15-15-93, Hawaii Administrative Rules, and potential reversion to the original land use classification or change to a more appropriate classification; however, these remedies are not always effective or practical. Your Committees find that additional tools are necessary for the Land Use Commission to enforce conditions and requirements of land use district boundary amendments and special permits in a manner that ensures that the interests of the State, counties, and public are protected.

Your Committees have amended this measure by 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. 2355, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2355, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2596 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2232

The purpose and intent of this measure is to:

- (1) Create and appropriate funds for the Erin's Law task force to guide the establishment of a program to educate public school students on sexual abuse prevention through the use of age appropriate curricula; and
- (2) Provide relevant training to school teachers and staff, and inform parents about important child sexual abuse topics.

Your Committees received testimony in support of this measure from the Department of Education, Executive Office on Early Learning, Hawaii State Commission on the Status of Women, State Public Charter School Commission, Hawaii Women's Coalition, American Association of University Women of Hawaii, Hawaii Youth Services Network, Parents and Children Together, Planned Parenthood Votes Northwest and Hawaii, The Sex Abuse Treatment Center, and Hawaii Children's Action Network.

Your Committees find sexual abuse is a serious and ongoing threat to the safety, health, and wellbeing of children and young people in the State of Hawaii. Sexual abuse is often a difficult subject to discuss, and many school teachers and staff do not receive sufficient training on talking to students about child sexual abuse prevention or how to handle disclosures of sexual abuse. As a result, there is no age appropriate curriculum to educate students on how to prevent sexual abuse or the importance of reporting it. This measure provides an additional tool in preventing child sexual abuse.

Your Committees note that the Department of Education estimates that \$50,000 is necessary to operate the Erin's law task force.

Your Committees have amended this measure by:

- (1) Adding the Director of the Executive Office on Early Learning, or the director's designee, as a member of the Erin's law task force;
- (2) Clarifying references to legislative committees as committees with primary jurisdiction over a specified subject matter, to which the Erin's law task force is required to submit its report and to whom the Department of Education must provide notice in the event that it is unable to implement the recommendations of the task force;
- (3) Inserting an effective date of January 7, 2019, 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. 2232, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2232, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2597 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2366

The purpose and intent of this measure is to require certain law enforcement agencies and departments to compile information on untested sexual assault collection kits and transmit that information to the Department of the Attorney General.

Your Committees received testimony in support of this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Department of the Prosecuting Attorney, County of Maui; Police Department, City and County of Honolulu; Hawaii State Commission on the Status of Women; Hawaii Women's Coalition; Planned Parenthood Votes Northwest and Hawaii; Hawai'i State Democratic Women's Caucus; American Association of University Women; Sex Abuse Treatment Center; and Parents and Children Together.

Your Committees find that there exists a nationwide problem of sexual assault collection kits going untested. Thorough, timely, and accurate testing of sexual assault collection kits is vital to successful apprehension and conviction of offenders. An accurate status of untested sexual assault collection kits in the State will ensure that the Attorney General is aware of the number of untested kits in the possession of law enforcement agencies and departments.

Your Committees have heard the testimony of the Department of the Prosecuting Attorney, City and County of Honolulu, expressing concerns regarding the type of information that this measure requires to be collected and transmitted to the Department of the Attorney General. Your Committees find that this issue raises concerns that merit further consideration as this measure moves through the legislative 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 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. 2366, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2366, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2598 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2372

The purpose and intent of this measure is to:

- (1) Require the counties to accept the surrender of a highway, road, alley, street, way, lane, bikeway, bridge, or trail if there has been an absence of any act of private ownership over the highway, road, alley, street, way, lane, bikeway, bridge, or trail for five years;
- (2) Deem a highway, road, alley, street, way, lane, bikeway, bridge, or trail that has been commonly used by residents of a particular area for emergency access purposes or for health and safety reasons to be publicly accessible for those reasons, without regard to actual ownership or responsibility for maintenance;
- (3) Exempt the State and counties from performing any construction, reconstruction, preservation, resurfacing, restoration, or rehabilitation on a surrendered highway, road, alley, street, way, lane, bikeway, bridge, or trail;
- (4) Exempt the State and counties from liability arising from use of a surrendered highway, road, alley, street, way, lane, bikeway, bridge, or trail for a period of two years following the performance of construction, reconstruction, preservation, resurfacing, restoration, or rehabilitation; and

- (5) Exempt the State and counties from liability due to the negligent acts or omissions of others that the State or county did not already benefit from before the surrender of the highway, road, alley, street, way, lane, bikeway, bridge, or trail, solely by reason of the surrender.

Your Committees received testimony in support of this measure from the Hawai'i Association of REALTORS and Bank of Hawaii. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources; Department of the Attorney General; Department of Facility Maintenance, City and County of Honolulu; Department of Public Works, County of Hawaii; Office of the Mayor, County of Maui; and Hawaii Association for Justice.

Your Committees find that there are numerous roads throughout the State that are privately owned or whose ownership has been called into question. In many cases, these private roads are remnants of a road, or a small portion of a larger public road, whose ownership is disputed for various reasons. This has resulted in questions regarding who is responsible for the repair and maintenance of these roads, many of which are regularly used for vehicular traffic. Your Committees further find that since these private roads are not owned by a governmental entity, or their ownership is being disputed, they often do not receive proper repair and maintenance.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 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 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. 2372, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2372, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2599 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2659

The purpose and intent of this measure is to:

- (1) Establish an industrial hemp pilot program to allow the cultivation of industrial hemp and distribution of its seed in Hawaii through limited activities by the Board of Agriculture for purposes of agricultural or academic research;
- (2) Exempt the possession, cultivation, sale, receipt, or transfer of industrial hemp for the purposes of agricultural or academic research from constituting an offense under part IV of chapter 712, Hawaii Revised Statutes; and
- (3) Appropriate funds for Department of Agriculture staff to assist in registration of industrial hemp licensees.

Your Committees received testimony in support of this measure from the Department of Agriculture; Aha Moku Advisory Committee; Drug Policy Forum of Hawaii; Hawai'i Center for Food Safety; Hawaii Farm Bureau; Hawaii Farmers Union United; Maui Coffee Association; Maui Venture Consulting, LLC; International Longshore and Warehouse Union, Local 142; and sixty-seven individuals. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that industrial hemp is well suited to Hawaii's climate and soil and can grow to over ten feet in a short period of time with little water and no pesticides. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products grew to over \$620,000,000 annually in 2014. Industrial hemp has over 25,000 uses, including food, fiber, and fuel products, and has high potential to contribute to the future viability of the State's agricultural industry. This measure will allow Hawaii to acquire a potentially lucrative and sustainable economic driver in addition to tourism.

Your Committees have amended this measure by:

- (1) Deleting the appropriation amount to the Department of Agriculture for the hiring of staff;
- (2) Inserting a sunset date of July 1, 2021;
- (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. 2659, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2659, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2600 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2815

The purpose and intent of this measure is to:

- (1) Clarify that the State is exclusively liable for claims for injury or loss of property, or personal injury or death, resulting from the negligent or wrongful act or omission of any professionally licensed or certified employee of the State while acting within the scope of the employee's office or employment;
- (2) Establish that any civil action or proceeding for money damages arising out of or related to the same subject matter against the employee is precluded; and

- (3) Authorize the State to notify all parties in a tort action or proceeding that names an employee in an individual capacity that the State is invoking exclusive liability and the action or proceeding will proceed thereafter against the State alone.

Your Committees received testimony in support of this measure from the Department of Taxation; Department of Accounting and General Services; Department of Public Safety; Department of the Attorney General; and Department of Human Resources, City and County of Honolulu. Your Committees received comments on this measure from the Hawaii Association for Justice.

Your Committees find that state employees are generally afforded qualified immunity for torts as a result of actions taken while in the course and scope of their state employment, which affords these employees protection from individual liability. However, in the recent case of Slingsluff v. State, 317 P.3d 683 (Haw. Ct. App. 2013), the Intermediate Court of Appeals held that prison physicians were not entitled to qualified immunity for the exercise of their professional medical judgment. According to testimony received by your Committees, the Slingsluff court created a distinction between medical judgment and governmental judgment, effectively nullifying qualified immunity for the same types of government officials to whom Hawaii's appellate courts have long granted immunity. Your Committees further find that the potential for personal liability can have a negative impact on hiring and retention of well-qualified professionals who are interested in working for the State.

Your Committees note the concerns raised regarding the scope of the term "wrongful act or omission" as used in this measure and the resulting exposure to the State. Your Committees will seek an opinion from the Attorney General to interpret this term and opine on any possible ramifications.

Your Committees have amended this measure by:

- (1) Deleting conflicting language to clarify that the State is exclusively liable;
- (2) Adding a savings clause; 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. 2815, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2815, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7; Ayes with Reservations (Thielen). Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2601 (Joint/Majority) Judiciary and Labor and Ways and Means on S.B. No. 2894

The purpose and intent of this measure is to:

- (1) Authorize the Department of Human Services to develop and administer outreach as required by the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act);
- (2) Create the Hawaii health insurance programs within the Department of Labor and Industrial Relations, which will conform state law to the Affordable Care Act and enable the State to:
 - (A) Preserve the benefits of the Prepaid Health Care Act;
 - (B) Ensure a smooth transition to a state-based marketplace using the federal platform for individuals and families; and
 - (C) Develop a system to allow small businesses to continue to take advantage of Affordable Care Act tax credits; and
- (3) Appropriate funds to the Department of Labor and Industrial Relations and Department of Human Services.

Your Committees received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Department of Labor and Industrial Relations, and Department of Human Services.

Your Committees find that Hawaii's state-based health insurance exchange, the private nonprofit Hawaii Health Connector, ceased operations on December 4, 2015. The State has since enlisted the assistance of six state departments to comply with federal requirements and ensure a smooth transition for enrollees from the state-based exchange to a state-based marketplace that utilizes the federal platform.

Your Committees further find that outreach and consumer assistance for health insurance, including Medicaid, continue to be needed during the transition. Also, during the transition, the Department of Labor and Industrial Relations is responsible for overseeing employers who have the option of providing health plans to their employees through Hawaii's Prepaid Health Care Act or the federal exchange, and managing the federal Affordable Care Act grant. The Department of Labor and Industrial Relations has requested transfer of the federal grant to the Department but has been informed that the State will be unable to receive federal grant monies until a new state exchange is named. This measure establishes a new state health insurance exchange in the Department of Labor and Industrial Relations and authorizes the Department to operate a small business health options program under federal requirements.

Your Committees have amended this measure by:

- (1) Clarifying that the chairs of the legislative standing committees named to the Affordable Care Act legislative oversight committee are committees having primary jurisdiction over a specified subject matter;
- (2) Inserting an effective date of January 7, 2019, 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. 2894, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2894, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 6; Ayes with Reservations (Kim). Noes, 1 (Slom). Excused, none.

Ways and Means: Ayes, 9. Noes, 1 (Slom). Excused, 1 (Harimoto).

SCRep. 2602 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2888

The purpose and intent of this measure is to:

- (1) Amend section 704-404, Hawaii Revised Statutes (HRS), to bifurcate the examination for penal responsibility from the examination for fitness to proceed and establish procedures for the determination of a defendant's penal responsibility and fitness to proceed;
- (2) Establish procedures for the determination of a defendant's regained fitness to proceed pursuant to section 704-406, HRS; and
- (3) Make conforming amendments to reflect the amendments made to section 704-404, HRS.

Your Committees received testimony in support of this measure from the Department of Health. Your Committees received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu. Your Committees received comments on this measure from the Hawaii Disability Rights Center and two individuals.

Your Committees find that under section 704-404, HRS, when a defendant's fitness to proceed comes into question, the criminal proceedings are stopped, and the court must order a physical or mental examination of the defendant to determine the defendant's fitness to proceed and whether the defendant possesses the penal responsibility for the alleged crime. During this period of time, a pretrial defendant, who may have a serious mental disease or defect, may be held in state custody for more than thirty days awaiting the evaluation due to the complexity of conducting an evaluation that examines fitness to proceed and penal responsibility. Your Committees further find that it is in the best interest of the defendants for the examination process to proceed in a timely, expedient manner by separating the fitness to stand trial and the penal responsibility components of examinations and codifying procedures for appointing examiners for reevaluation of fitness.

Accordingly, your Committees have amended this measure by:

- (1) Clarifying that a court is required to order the examination for penal responsibility no later than thirty days after a finding of a defendant's fitness to proceed, if the examinations are separate;
- (2) Clarifying that only the relevant records of a defendant shall be made available to examiners and no further disclosure of these records shall be made except as permitted by law;
- (3) Adopting the language suggested by the Department of Health that clarifies that a defendant may be released on conditions if the court is satisfied that the defendant may be released on conditions without danger to the defendant or another or risk of substantial danger to property, rather than without risk of danger to the defendant or the person or property of others;
- (4) To address the concerns raised by the Department of the Prosecuting Attorney of the City and County of Honolulu, adding a felony for which charging by written permission is not permitted by section 806-83, HRS, to the list of offenses with which a defendant must be charged in order for the three-panel examination to determine whether the defendant has regained fitness to proceed pursuant to procedures proposed by this measure to apply;
- (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 Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2888, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2888, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2603 (Joint/Majority) Judiciary and Labor and Ways and Means on S.B. No. 2898

The purpose and intent of this measure is to make emergency appropriations for fiscal year 2015-2016 for the Department of Labor and Industrial Relations and Department of Human Services to cover the short-term costs required to comply with the federal Patient Protection and Affordable Care Act of 2010.

Your Committees received testimony in support of this measure from the Department of Human Services, Department of Labor and Industrial Relations, Office of Enterprise Technology Services, and Hawaii Primary Care Association.

Your Committees find that the Department of Labor and Industrial Relations and the Department of Human Services used fiscal year 2015-2016 operating funds to cover expenses for the maintenance of the Medicaid eligibility application of the Department of Human Services enterprise system and for the transition of the functions of the Hawaii Health Connector to the State to enable Hawaii to be compliant with the Patient Protection and Affordable Care Act of 2010. The Departments need to be reimbursed for the funds used to be able to perform their mandated responsibilities and functions during fiscal year 2015-2016 and to continue to make health care payments for Medicaid recipients.

Your Committees have amended this measure by:

- (1) Deleting 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 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. 2898, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2898, S.D. 1.

Signed by the Chairs on behalf of the Committees.
 Judiciary and Labor: Ayes, 6. Noes, 1 (Slom). Excused, none.
 Ways and Means: Ayes, 9. Noes, 1 (Slom). Excused, 1 (Harimoto).

SCRep. 2604 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2914

The purpose and intent of this measure is to adjust the petition process for court orders to provide medical treatment to:

- (1) Allow a declaration to be filed as an alternative to an affidavit;
- (2) Expand the court's ability to continue the hearing on the petition for good cause;
- (3) Give the court more flexibility in deciding when a guardian ad litem is necessary;
- (4) Relax the time requirement for filing a court order for medical treatment;
- (5) Redefine the persons who must be notified of the petition;
- (6) Clarify the effective expiration date of the order; and
- (7) Provide the ability for the Department of Public Safety to seek an extension of an order to treat if necessary.

Your Committees received testimony in support of this measure from the Department of Public Safety.

Your Committees find that existing statutes provide a procedure for involuntary medical treatment for inmates in the custody of the Department of Public Safety when the inmate poses a danger of harm to self or others. These procedures place unnecessary and arbitrary restrictions on doctors and correctional facility staff that reduce efficiency and generate avoidable risk. This measure proposes amendments to clarify issues to improve the operational efficiency of the petition process.

Your Committees have 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 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. 2914, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2914, S.D. 1.

Signed by the Chairs on behalf of the Committees.
 Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.
 Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2605 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2915

The purpose and intent of this measure is to update the Uniform Controlled Substances Act for consistency with amendments in federal controlled substances law.

Your Committees received testimony in support of this measure from the Department of Public Safety, Injury Prevention Advisory Committee, and one individual.

Your Committees find that drug scheduling in Hawaii is generally kept in accordance with federal standards. Federal standards change as new chemical compounds are developed and cataloged by law enforcement. Additionally, Hawaii has unique needs stemming from state initiatives and programs such as the electronic prescription accountability system and the medical marijuana program. This measure allows the State's drug scheduling laws to be up to date with the developments at the federal and state levels.

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 and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2915, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2915, S.D. 2.

Signed by the Chairs on behalf of the Committees.
 Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.
 Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2606 Ways and Means on S.B. No. 2249

The purpose and intent of this measure is to address the shortage of space in the Wailuku state office building and old courthouse building on the island of Maui.

More specifically, this measure:

- (1) Requires 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) Makes an appropriation for the Department of Accounting and General Services to develop the master plan; and
- (3) Makes an appropriation for the purpose of purchasing certain properties in or near Wailuku.

Your Committee received written testimony in support of this measure from the Department of Accounting and General Services, County of Maui Office of the Mayor, County of Maui Department of Management, Maui Redevelopment Agency, Wailuku Community Association, Kamaaina Loan and Cash for Gold, and four individuals.

Your Committee received written comments on this measure from the Judiciary.

Your Committee finds that there is a shortage of office space in the Wailuku state office building and old courthouse building. Your Committee further finds that developing a master plan to analyze the existing uses of the facilities and office space, identify issues or problems due to the lack of space, and identify and evaluate all adjacent land and buildings for a determination of whether the land or buildings could reduce the shortage is the first step to address this issue.

Your Committee has amended this measure by changing the:

- (1) Appropriation amounts to unspecified sums; and
- (2) 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. 2249, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2249, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2607 Ways and Means on S.B. No. 2501

The purpose and intent of this measure is to require public agencies to consider the past performance of contractors before awarding contracts.

Specifically, this measure:

- (1) Requires public agencies to consider a contractor's previous work on similar projects before awarding a contract;
- (2) Requires each public agency that issues a request for proposals to evaluate a contractor's performance upon completion of a procurement contract and to maintain those evaluations in the public agency's files; and
- (3) Appropriates funds to the State Procurement Office to implement this measure.

Your Committee received written comments in support of this measure from the State Procurement Office and the Department of Transportation.

Your Committee received written comments in opposition to this measure from the City and County of Honolulu Department of Budget and Fiscal Services, the Subcontractors Association of Hawaii, and one individual.

The General Contractors Association of Hawaii and the City and County of Honolulu Department of Design and Construction submitted comments on this measure.

Your Committee finds that while the state procurement code presently authorizes procurement officers to consider a potential awardee's past performance, many procurement officers do not adequately weigh the historical performances of bidders and award contracts only based upon the lowest bid. Your Committee believes that this measure will provide better guidance to procurement officers when considering the performance history of bidders. Your Committee notes that the measure provides for an appropriation of \$500,000 for the State Procurement Office to implement the measure's requirements.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount 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. 2501, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2501, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2608 Commerce, Consumer Protection, and Health on S.B. No. 2685

The purpose and intent of this measure is to allow proof of motor vehicle insurance to be displayed in authenticated electronic format on a mobile electronic device.

Your Committee received testimony in support of this measure from GEICO, Hawaii Insurers Council, State Farm Mutual Automobile Insurance Company, USAA, National Association of Mutual Insurance Companies, Property Casualty Insurers Association

of America, 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 Commerce and Consumer Affairs.

Your Committee finds that more states are recognizing the widespread use of mobile technology and updating motor vehicle insurance laws accordingly. According to testimony received by your Committee, more than forty states now permit drivers to use an electronic copy of their insurance card as valid proof of insurance. The acceptance of this technology has grown rapidly since March 2012, when Idaho became the first state in the country to accept electronic motor vehicle insurance cards.

Your Committee further finds that customers increasingly use mobile electronic devices to keep track of and maintain important personal information. Accordingly, this measure authorizes owners and drivers of motor vehicles in Hawaii to display proof of motor vehicle insurance in authenticated electronic format on a mobile electronic device and offers the option of electronic cards to be used as proof of motor vehicle insurance in the same situations where paper cards are currently accepted.

Your Committee has heard the concerns that this measure requires the electronic proof of motor vehicle insurance to be "authenticated", but does not otherwise define this term. After discussions with the Insurance Division of the Department of Commerce and Consumer Affairs, your Committee concludes that, rather than determine how electronic proof of motor vehicle insurance could be authenticated, a more straightforward solution is to amend existing law relating to verification of motor vehicle insurance and permit insurers to issue paper or electronic insurance identification cards that can be used as proof of insurance. Your Committee notes that the relevant statutes relating to verification of insurance already specify what must be included in a motor vehicle insurance identification card. Amending these sections to include electronic insurance identification cards will ensure that all information that must be included in paper insurance identification cards, such as the name of the insured, policy number, and effective dates of coverage, must be included in electronic insurance identification cards as well.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that every insurer shall issue to its insureds a paper or electronic motor vehicle insurance card for each insured motor vehicle and a paper or electronic proof of insurance card for each insured motorcycle or motor scooter;
- (2) Requiring the electronic motor vehicle insurance identification card or the electronic proof of insurance card for motorcycles and motor scooters to be accessed directly through the licensed insurer's website in current time on a mobile electronic device;
- (3) Clarifying that the proof of insurance card shall be in the insured motor vehicle or carried on the person operating the insured motorcycle or motor scooter or accessible on a mobile electronic device at all times and shall be exhibited to a law enforcement officer upon demand;
- (4) Removing references to an authenticated motor vehicle or liability insurance identification card;
- (5) Removing unnecessary language in certain sections of chapter 286, Hawaii Revised Statutes, that would have required an authenticated electronic card for purposes of state inspections or driver's application examinations, as language in this amended measure permits electronic cards to be used as proof of motor vehicle insurance in the same situations where paper cards are currently accepted, including state inspections and driver's application examinations; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2685, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2685, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).

SCRep. 2609 Ways and Means on S.B. No. 2494

The purpose and intent of this measure is to improve the efficiency and transparency of government contracting.

More specifically, this measure:

- (1) Requires the State Procurement Office to establish a statewide database containing government procurement contract data;
- (2) Requires each governmental body to submit data relating to any procurement contract of the governmental body to the State Procurement Office; and
- (3) Appropriates moneys to establish the statewide database.

Your Committee received written comments on this measure from the City and County of Honolulu Department of Budget and Fiscal Services.

Your Committee finds that government procurements are inconsistently solicited and that there is a wide range of expectations pertaining to vendor proposals, both of which contribute to increased procurement processing time and decreased efficiency. Your Committee further finds that establishing a statewide database of all government procurement contracts will reduce inconsistencies for contracting practices and improve the efficiency, transparency, and accountability of government contracting.

Your Committee notes that \$100,000 is needed for the State Procurement Office to establish the statewide procurement database. Your Committee also notes that as this measure moves through the legislative process, consideration should be given to the resources and time that will be necessary for governmental bodies to comply with the requirements established in this measure.

Your Committee has amended this measure by changing the:

- (1) Appropriation amount to an unspecified sum; and

- (2) 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. 2494, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2494, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2610 Ways and Means on S.B. No. 2542

The purpose and intent of this measure is to establish a full funding policy and budgetary procedures for routine repair and maintenance of state facilities, including judiciary-owned facilities.

Specifically, this measure:

- (1) Requires annual reports to the Legislature regarding routine repair and maintenance funding needs;
- (2) Authorizes extended lapse dates for appropriations for routine repair and maintenance; and
- (3) Requires that capital improvement projects include a recommended plan for routine repair and maintenance.

Your Committee received written comments in support of this measure from the Department of Budget and Finance and the Department of Accounting and General Services.

Your Committee received written comments on this measure from the Department of Human Resources Development.

Your Committee finds that this measure is necessary to ensure that the Legislature is provided with accurate and timely repair and maintenance costs of state-owned buildings and facilities so that it may appropriately budget for these costs.

Your Committee has amended this measure by removing language that would authorize an extended lapse date for an appropriation for routine repair and maintenance.

As affirmed by the record of votes of the members 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. 2542, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2542, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2611 Ways and Means on S.B. No. 2560

The purpose and intent of this measure is to address the mental health of homeless persons.

More specifically, the measure:

- (1) Requires the Department of Health to provide treatment and care for homeless individuals with serious and persistent mental health challenges that prevent them from obtaining housing and residing successfully in the community; and
- (2) Appropriates \$1,000,000 in general funds to the Department of Health for the provision of mental health care and treatment for homeless individuals.

Your Committee received written comments in support of this measure from the Department of Health, Governor's Coordinator on Homelessness, Department of Community Services of the City and County of Honolulu, and Hawaii Substance Abuse Coalition.

Your Committee finds that many homeless individuals suffer from serious and persistent mental health challenges that prevent them from accessing and maintaining permanent housing. Reaching out to these individuals and providing them with effective mental health treatment and care will help break the cycle of homelessness for many individuals with serious and persistent mental health challenges.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$1,000,000 to an unspecified amount to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for 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. 2560, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2560, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2612 Judiciary and Labor on S.B. No. 2163

The purpose and intent of this measure is to allow the Director of Health to give notice of water pollution and solid waste pollution violations via a posting on a searchable government website when attempts to serve written notice in person and by mail have been unsuccessful.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Department of Planning and Permitting, City and County of Honolulu; Conservation Council for Hawai'i; Sierra Club of Hawai'i; and one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that personal service of notices of violation are not always successful and publication of notices in daily newspapers can be costly. By authorizing public notices to be posted on a searchable government website, this measure allows for such notices to be available to the public for an indeterminate time and without cost.

Your Committee has amended this measure by:

- (1) Authorizing the Director of Health to provide notice by conspicuously posting a sign on the property, if appropriate; 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. 2163, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2163, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kim).

SCRep. 2613 Judiciary and Labor on S.B. No. 2408

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 deemed heirs property.

Your Committee received comments on this measure from the Commission to Promote Uniform Legislation.

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 language that closely mirrors the Uniform Partition of Heirs Property Act, which establishes a hierarchy of remedies designed to protect a family's property holdings and real property wealth and is intended to provide cotenants with many of the protections and rights commonly found in private agreements governing the partition of tenancy in common property. Your Committee notes that the stakeholders are continuing discussion and working on the language of 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. 2408, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2408, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2614 (Majority) Judiciary and Labor on S.B. No. 2425

The purpose and intent of this measure is to:

- (1) Exempt extracurricular service of employees from the State Ethics Code if certain conditions are met;
- (2) Define detached remuneration and extracurricular service; and
- (3) Require the review of any existing policy, procedure, or rule previously adopted by any department or other state agency for consistency and compliance with the exemption for extracurricular service of employees from the State Ethics Code.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, IMUAlliance, and one individual. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, League of Women Voters of Hawaii, and one individual.

Your Committee finds that in State Ethics Commission Advisory Opinion No. 2015-1, the Commission found ethical violations in the longstanding practice of public school teachers receiving free travel and other benefits from tour companies when chaperoning students on out-of-state educational trips. The Commission determined that the dual role as teacher and tour company representative places public school teachers in a conflict of interest under the State Ethics Code and also raises concerns under the gifts law and the fair treatment law. Some believe that this Advisory Opinion may have an unintended effect of depriving students of valuable learning opportunities outside of the classroom, by making it difficult for teachers to afford activities that are largely contingent upon their participation and may be based on a subjective and overly broad application of the State Ethics Code. By specifying certain conduct that may be exempt from the State Ethics Code, this measure prevents important opportunities, such as educational trips, from being lost.

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. 2425, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2425, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 2 (Thielen, Slom). Excused, 1 (Kim).

SCRep. 2615 Judiciary and Labor on S.B. No. 2858

The purpose and intent of this measure is to clarify that the State is not subject to a statute of limitations period for claims pursuant to chapter 480, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and Hawaii Association for Justice.

Your Committee finds that Hawaii common law has long recognized that statutes of limitations do not apply to actions initiated by the State. The Legislature codified this longstanding common law rule in 1991. Although section 480-24(b), Hawaii Revised Statutes, contains a tolling provision for claims brought by the State, the codification of the common law rule that the State is not subject to statutes of limitations made the pre-existing tolling language in this section superfluous. Your Committee further finds that the Legislature has made it clear that unless there is a specific designation in statute stating that a statute of limitations applies to actions initiated by the State, none exists. Since no specific designation appears in section 480-24(b), Hawaii Revised Statutes, the repeal of the tolling language in this section is appropriate and necessary.

Finally, your Committee notes that chapter 480, Hawaii Revised Statutes, relating to monopolies and restraints of trade, is one of the most important statutory tools given to the State to protect the people of Hawaii. This measure preserves the right of the State to seek redress for harm done and deter future bad conduct by persons who would seek to take unfair advantage of Hawaii consumers.

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. 2858, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2858, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2616 Judiciary and Labor on S.B. No. 2934

The purpose and intent of this measure is to ensure driver license procedures are compliant with the federal REAL ID Act of 2005.

Your Committee received testimony in support of this measure from the Department of Transportation and one individual.

Your Committee finds that existing law does not require that a renewed driver's license contain a photograph of the licensee. This violates the REAL ID Act, which requires "[a] digital photograph of the person", among other things. Your Committee further finds that the REAL ID Act also requires an applicant to appear in person to renew the applicant's license if sixteen years have passed since the applicant last appeared in person. Accordingly, this measure ensures that the State's driver licensing laws comply with federal laws.

Your Committee has amended this measure by:

- (1) Inserting language suggested by the Department of Transportation that amends section 286-108(c), Hawaii Revised Statutes, to clarify that the examiner of drivers may waive written or oral examinations in certain circumstances; 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. 2934, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2934, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 2617 (Majority) Judiciary and Labor on S.B. No. 2940

The purpose and intent of this measure is to:

- (1) Clarify that the State Ethics Code does not apply to University of Hawaii employees who are directly involved in the research or development of technology sponsored and approved by the University when performing technology transfer activities; and
- (2) Require the Board of Regents to submit a written status report to the Legislature every two years.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Chamber of Commerce Hawaii, Hawaii Venture Capital Association, Sultan Ventures, and XLR8UH. Your Committee received comments on this measure from the Department of the Attorney General and Hawaii State Ethics Commission.

Your Committee finds that the timely and efficient commercialization of intellectual property created by the University of Hawaii's basic and applied research can make valuable contributions to the economic health and diversification of the State. The Board of Regents of the University of Hawaii has established a regulatory framework and compliance program to balance the unique benefits and ethical issues specific to university research and technology transfer, and that program incorporates long-standing ethical research principles and technology transfer regulations currently used by the federal government. By clarifying sections of the State Ethics Code to exempt technology transfer activities, this measure will facilitate technology transfer at the University and benefit the State's economy.

Your Committee has amended this measure by:

- (1) Addressing the concerns raised by the Department of the Attorney General, and thus adopted in part the language from S.B. No. 2940 (Regular Session of 2016), as originally introduced, to clarify that certain sections of the State Ethics Code shall not apply to technology transfers sponsored by the University of Hawaii, rather than exempting University of Hawaii employees who perform technology transfer activities; 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. 2940, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2940, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 2 (Thielen, Slom). Excused, 1 (Kim).

SCRep. 2618 Judiciary and Labor on S.B. No. 2864

The purpose and intent of this measure is to:

- (1) Permit the Hawaii Medical Board to impose the same disciplinary action against a physician licensed in Hawaii as was taken by another state or federal agency;
- (2) Establish conditions for the disciplinary action; and
- (3) Prohibit a licensee from practicing in Hawaii until a final order of discipline is issued, if the licensee has been prohibited from practicing in another state.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Hawaii Medical Board, Hawaii Medical Association, Hawaii Medical Service Association, and The Queen's Health Systems.

Your Committee finds that under existing law, the reasons for which the Hawaii Medical Board can impose reciprocal discipline on a Hawaii licensee are limited. This measure will expedite the disciplinary process when a Hawaii licensee is disciplined by another state or a federal agency. This measure will also protect Hawaii consumers during the disciplinary process by prohibiting a licensee who has been banned from practicing in another jurisdiction from practicing in Hawaii until the Hawaii Medical Board issues a final order. This protection ensures that Hawaii patients will not be at risk of receiving medical treatment from a licensee who was the subject of serious discipline elsewhere.

Your Committee further finds that according to the Federation of State Medical Boards, the number of reciprocal disciplinary actions imposed by state medical boards against physicians licensed in another state has increased measurably within the last several years. This measure will enable the Hawaii Medical Board to keep pace with its counterparts nationwide and enable the Board to timely and appropriately respond to disciplinary actions taken elsewhere against Hawaii licensees.

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. 2864, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2864, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2619 Ways and Means on S.B. No. 2829

The purpose and intent of this measure is to require the Office of Planning to review and propose updates to the Hawaii State Planning Act.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Office of Planning, and Department of Agriculture.

Your Committee finds that the Hawaii State Planning Act was enacted in 1978 for the purpose of improving the State's planning process and guiding future development. It has been over thirty years since the Hawaii State Planning Act was reviewed. The world has undergone significant economic, technological, and social changes since the last review. Accordingly, your Committee believes that it is necessary to revisit and review the Hawaii State Planning Act so the State can best prepare for further development in the twenty-first century.

Your Committee notes that this measure appropriates \$150,000, as requested by the Office of Planning, for reviewing, analyzing, reporting, and proposing updates to the Hawaii State Planning Act.

Your Committee has amended this measure by:

- (1) Deleting the appropriation for fiscal year 2017-2018;
- (2) Changing the appropriation from \$150,000 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. 2829, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2829, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2620 Ways and Means on S.B. No. 2504

The purpose and intent of this measure is to establish a loan program in the High Technology Development Corporation to support small businesses in dual-use high-technology fields.

Your Committee received written comments in support of this measure from High Technology Development Corporation, Oceanit Laboratories, Inc., and one individual. The Department of Budget and Finance submitted written comments on the measure.

Your Committee finds that success in the twenty-first century global economy requires the development, transfer, use, and commercialization of technology. Your Committee believes that for Hawaii to succeed in the burgeoning high-technology field, small businesses should be encouraged to enter the field. Many Hawaii small businesses desire to develop, transfer, use, or commercialize high-technology, but are faced with significant costs that may prevent them from entering the high-technology field. A loan program for small businesses in dual-use high-technology fields would allow these businesses to meaningfully compete in the high-technology fields.

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. 2504, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2504, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2621 Ways and Means on S.B. No. 2301

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Keahole Management Group, LLC, in its processing enterprise.

Your Committee received written comments in support of this measure from Keahole Management Group LLC, Hawaii Tropical Fruit Growers, Aeronigma Solutions, Inc., and one individual. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Keahole Management Group, LLC, will use the proceeds of the sale of special purpose revenue bonds issued pursuant to this measure for planning, designing, constructing, and equipping facilities for the manufacturing and processing of products, including the production of value-added agricultural products, in the State. Your Committee therefore finds that the issuance of special purpose revenue bonds for the purposes within the measure is in the public interest and will benefit the public health, safety, and general welfare.

Your Committee has amended this measure by clarifying that Keahole Management Group is a limited liability company.

As affirmed by the record of votes of the members 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. 2301, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2301, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2622 Ways and Means on S.B. No. 2791

The purpose and intent of this measure is to appropriate \$150,000 in fiscal year 2016-2017 to promote, regulate, and administer the Made in Hawaii Brand Program.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Agriculture; K. Yamada Distributors; Meadow Gold Dairies; and Hawaii Farm Bureau.

Your Committee finds that managing and promoting the Made in Hawaii brand is important to Hawaii's manufacturing industry. Your Committee also finds that enforcing the Made in Hawaii brand and accurately informing residents and visitors of products that are made in Hawaii contribute to the success of Hawaii's manufacturing industry. Accordingly, your Committee finds that appropriating moneys to support the Made in Hawaii Brand Program will benefit Hawaii's manufacturing industry.

Your Committee has amended this measure by changing the:

- (1) Appropriation amount from \$150,000 to an unspecified sum; and
- (2) 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. 2791, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2791, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2623 Ways and Means on S.B. No. 2444

The purpose and intent of this measure is to improve the accuracy and integrity of Hawaii's voter registration rolls.

More specifically, this measure requires:

- (1) The Office of Elections to join the Electronic Registration Information Center;
- (2) The State and the counties to use the Electronic Registration Information Center to verify voter rolls; and
- (3) The Department of Transportation and the counties to electronically share databases containing driver's license and civil identification card information with election officials and the statewide voter registration system.

Your Committee received written comments in support of this measure from the Office of Elections and Common Cause Hawaii.

Your Committee received written comments in opposition to this measure from the Office of the County Clerk, County of Kauai.

Your Committee finds that the Electronic Registration Information Center uses the voter registration rolls of member states and other databases to compare voting lists to enhance voter registration accuracy. Members of the Electronic Registration Information Center receive reports that identify voters who have moved out of their state, passed away, and those who may be eligible to vote but are not yet registered. Your Committee further finds that Hawaii's voter registration rolls may be inaccurate due to the large population of persons who reside in Hawaii on a part-time basis. Accordingly, your Committee finds that modernizing Hawaii's system of verifying voter registration data may ensure the integrity of Hawaii's voter registration rolls.

Your Committee has amended this measure by providing for the codification, in Chapter 11, Hawaii Revised Statutes, of the requirement that the Department of Transportation and the counties electronically provide their databases that include driver's license and civil identification card information to election officials and the statewide voter registration 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. 2444, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2444, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2624 Ways and Means on S.B. No. 2838

The purpose and intent of this measure is to authorize 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 and to make certain housekeeping amendments.

Your Committee received testimony in support of this measure from Hawaii Union-Employer Health Benefits Trust Fund.

Your Committee finds that current law allows the Employer-Union Health Benefits Trust Fund to invest in only some of the obligations that may be invested in by the Employees' Retirement System. Your Committee further finds that it is appropriate to allow the Employer-Union Health Benefits Fund to invest in the same asset classes as those permitted to the Employees' Retirement System, because it is expected that, over time, the asset allocation of the Employer-Union Health Benefits Trust Fund will begin to resemble that of the Employees' Retirement System.

Your Committee has amended this measure by:

- (1) Deleting the housekeeping amendments for which the subject matter falls outside the scope of the measure's title; and
- (2) 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 S.B. No. 2838, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2838, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 2625 (Majority) Ways and Means on S.B. No. 2535

The purpose and intent of this measure is to provide uniformity throughout the State relating to geothermal energy.

More specifically, this measure:

- (1) Clarifies that regulation of geothermal resources development and geothermal resources exploration is reserved to the State unless specifically delegated to the counties by statute;
- (2) Requires the lessee of a mining lease to comply with state and county laws relating to building, grading, and flood control codes; and
- (3) Requires the rules of the Board of Land and Natural Resources regarding mining operations, geothermal resources development, and geothermal resources exploration, including drilling conditions and restrictions, to be uniform throughout the State.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Hawaii Leeward Planning Conference; Hawaii Association of Realtors; Kapoho Management Company, Inc.; and forty-six individuals.

Your Committee received written comments in opposition to this measure from the Sierra Club of Hawaii; Birth Sovereignty; We Are One, Inc.; Puna Pono Alliance; Pele Lani Farm, LLC; and fifty-six individuals.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs and three individuals.

Your Committee finds that geothermal energy development in Hawaii reduces Hawaii's reliance on fossil fuels and contributes to Hawaii's energy diversification. Your Committee further finds that county regulation of geothermal energy activities may conflict with state regulation, thus impeding the ability of geothermal energy producers to safely and efficiently conduct exploration or production activities. Ensuring a uniform system of geothermal energy regulation promotes efficient geothermal energy development in the State.

Your Committee has amended this measure by changing the effective date to January 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. 2535, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2535, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Harimoto). Noes, 2 (Riviere, Slom). Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2626 Ways and Means on S.B. No. 2603

The purpose and intent of this measure is to make appropriations to the Executive Office on Early Learning and Early Learning Advisory Board for staffing and travel.

Your Committee received written comments in support of this measure from the Early Learning Advisory Board, Executive Office on Early Learning, Hawaii Children's Action Network, and two individuals.

Your Committee finds that the Executive Office on Early Learning's mission is to coordinate efforts to help ensure a solid foundation for Hawaii's young children, by working with partners, families, and communities and connecting policies, programs, and funding related to health, safety, early childhood education, and school readiness and success. Your Committee further finds that the Executive Office on Early Learning needs additional staff and resources to adequately fulfill its mission. Accordingly, your Committee finds that this measure will support the Executive Office on Early Learning for the hiring of staff and travel expenses so that it may fulfill its statutory responsibilities.

Your Committee has amended this measure by adopting the amendments proposed by the Executive Office on Early Learning, specifically:

- (1) Clarifying that the appropriation of \$28,800 is solely for travel for the Early Learning Advisory Board; and
- (2) Changing the appropriation sum of \$59,736 to \$57,168 and the corresponding position from a data processing systems analyst VI to a research statistician IV.

As affirmed by the record of votes of the members 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. 2603, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2603, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2627 Ways and Means on S.B. No. 3073

The purpose and intent of this measure is to establish a school of aviation at the University of Hawaii at Hilo, to offer a bachelor of science degree in aeronautical science.

Your Committee received written comments in support of this measure from the University of Hawaii at Hilo, Department of Transportation, Hawaiian Airlines, and one individual.

Your Committee finds that aviation is essential to Hawaii's economy. Your Committee further finds that establishing a school of aviation at the University of Hawaii at Hilo will support degree programs in aeronautics and provide opportunities for Hawaii's youth to pursue professional aviation careers within the State as well as attract students from outside of the State.

Your Committee has amended this measure by making the allotment and expenditure of the appropriation contingent on the University of Hawaii Board of Regents first establishing the school of aviation.

As affirmed by the record of votes of the members 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. 3073, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3073, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2628 Ways and Means on S.B. No. 2309

The purpose and intent of this measure is to address the management of sexual assault kits.

More specifically, the measure:

- (1) Establishes the Sexual Assault Kit Tracking Program;
- (2) Requires a law enforcement agency that receives a sexual assault kit in connection with a criminal investigation to submit the kit to a laboratory for analysis within ten business days;
- (3) Requires a laboratory that receives a sexual assault kit from a law enforcement agency for analysis to complete the analysis within six months if sufficient staffing and resources are available;
- (4) Requires the results of sexual assault kit analyses to be uploaded to certain databases;
- (5) Requires a law enforcement agency that receives a sexual assault kit in connection with a criminal investigation to provide annual written notice to the Department of the Attorney General regarding the number of kits so received that have not been submitted to a laboratory for analysis;
- (6) Requires the Department of the Attorney General to make arrangements for the analysis of all sexual assault kits utilized prior to July 1, 2016, and to ensure that analysis results are uploaded to certain databases;
- (7) Provides that the failure of a law enforcement agency to timely submit for analysis a sexual assault kit utilized on or after July 1, 2016, shall not alter the authority of the agency to submit the kit for analysis or render evidence derived from the kit inadmissible in court;
- (8) Requires that a certification be included with sexual assault kit evidence submitted for analysis;
- (9) Requires the expungement from certain databases of records not connected to a criminal investigation; and
- (10) Requires a report to the Legislature prior to the Regular Session of 2017 regarding the sexual assault kit tracking program, including the number of unprocessed sexual assault kits collected before July 1, 2016, and the status of any backlog.

Your Committee received written comments in support of this measure from the Hawaii State Commission on the Status of Women, Department of the Prosecuting Attorney of the City and County of Honolulu, Kauai Police Department, and Planned Parenthood Votes Northwest and Hawaii.

Your Committee received comments on the measure from the Department of the Attorney General and the Hawaii Police Department Forensic Laboratory.

Your Committee finds that evidence collected utilizing sexual assault kits should be analyzed and recorded within a reasonable time to ensure that the evidence is available to identify and prosecute perpetrators of sexual assaults, establish or eliminate possible connections between perpetrators and other crimes, and exonerate innocent defendants who are wrongfully accused.

Your Committee has amended this measure by adding an unspecified appropriation for the Department of the Attorney General to facilitate the processing of sexual assault kits utilized as part of a criminal investigation prior to July 1, 2016.

Your Committee respectfully requests that, as this measure moves through the legislative process, future committees consider reconciling the content of this measure with the content of Senate Bill No. 2366, which requires law enforcement agencies and certain departments to compile information on untested sexual assault collection kits and transmit that information to the Attorney General, and deciding which of these measures is the appropriate vehicle to advance the initiatives proposed by them.

As affirmed by the record of votes of the members 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. 2309, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2309, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2629 Ways and Means on S.B. No. 3112

The purpose and intent of this measure is to appropriate moneys for programs, ceremonies, and activities commemorating the fiftieth anniversary of the Vietnam War.

Your Committee received written comments in support of this measure from the Department of Defense, Office of Veterans' Services, 50th Anniversary of the Vietnam War Commemoration Committee, Veterans of Foreign Wars of the United States, and one individual.

Your Committee finds that the Vietnam War must never be forgotten. It is important to honor the sacrifices of the men and women who served, as well as remember the suffering and loss of life of all persons who were involved.

Your Committee notes that it is considering consolidating the funding for anniversary events such as the anniversaries of the Vietnam War and Pearl Harbor Attack under the Department of Defense's allocation in the state budget. There is also a grant-in-aid request before the Legislature for \$437,000. Your Committee requests that the Administration indicate its preference for a funding mechanism for these events.

Your Committee has amended this measure by changing the amount appropriated to an unspecified sum 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. 3112, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3112, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2630 Judiciary and Labor on S.B. No. 2856

The purpose and intent of this measure is to clarify the scope of powers of the Office of Consumer Protection investigators.

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 prior to 1969, only police officers or sheriffs were legally authorized to serve legal documents in Hawaii. Thus, the Legislature established section 487-10, Hawaii Revised Statutes, which became enacted through Act 175, Session Laws of Hawaii 1969, to explicitly provide police powers to Office of Consumer Protection investigators, so they could also serve subpoenas and process. However, as service of these documents is no longer restricted to police officers and sheriffs, it is no longer appropriate or necessary to extend such broad powers and authority to Office of Consumer Protection investigators. This measure therefore clarifies that the power and authority of Office of Consumer Protection investigators under section 487-10, Hawaii Revised Statutes, pertains to the service of process and service of subpoenas.

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. 2856 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2631 Judiciary and Labor on S.B. No. 2883

The purpose and intent of this measure is to clarify that the Department of Health may amend birth certificates to establish or change parenthood only pursuant to a court order or other legal establishment of parenthood and that the amendment shall not be considered a correction of a personal record under the Uniform Information Practices Act.

Your Committee received testimony in support of this measure from the Department of the Attorney General and Department of Health. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that births are required to be registered in the State, and birth certificates are used as prima facie evidence to prove important factors such as identity, citizenship, parenthood, age, sex, and race. There are legal presumptions regarding parenthood that are established by law, and the rights of parents, which are protected by the federal and state constitutions, can be significantly impacted by birth certificate amendments regarding parenthood. Existing law allows persons to file late birth certificates or amend birth certificates upon submitting proof required by the Department of Health. However, because the Department of Health is not qualified to evaluate anecdotal or genetic evidence of parenthood and has no means to afford due process to existing parents whose rights would effectively be terminated by an amendment that changes a parent on a birth certificate, individuals have sued the Department and been awarded attorney's fees and other costs. This measure would assure that changes to parental rights arising from birth certificate amendments would be subject to judicial determination and existing legal presumptions regarding parenthood, support the Department of Health's longstanding interpretation of its own law and rules, maintain the accuracy of vital records in Hawaii, and protect the State from significant unnecessary costs and attorney's fees.

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. 2883 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kim, Shimabukuro, Slom).

SCRep. 2632 Ways and Means on S.B. No. 2619

The purpose and intent of this measure is to improve the management and oversight of unclaimed property.

More specifically, the measure requires a holder of unclaimed property to provide:

- (1) A statement in its report to the Director of Finance that the holder has complied with certain requirements, including providing notice to the apparent owner of the unclaimed property; and
- (2) Notice to the apparent owner of the unclaimed property valued at \$50 or more via mail, electronic mail, or telephone, no more than six months prior to the holder submitting the report to the Director of Finance.

Your Committee received written comments in support of this measure from the Department of Budget and Finance and the Department of Commerce and Consumer Affairs.

Your Committee received written comments on this measure from the Hawaii Bankers Association.

Your Committee finds that establishing standardized procedures for contacting the apparent owners of unclaimed property, prior to the property escheating to the State, would benefit both consumers and holders of unclaimed 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 is in accord with the intent and purpose of S.B. No. 2619, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2633 Ways and Means on S.B. No. 2671

The purpose and intent of this measure is to provide for the regulation of individuals practicing veterinary technology.

Specifically, this measure:

- (1) Requires individuals who practice veterinary technology to register with the Department of Commerce and Consumer Affairs;
- (2) Establishes minimum qualifications of veterinary technicians; and
- (3) Appropriates funds out of the compliance resolution fund to the Department of Commerce and Consumer Affairs to implement registration of veterinary technicians.

Your Committee received written comments in support of this measure from Windward Community College Veterinary Technology Program, Pacific Pet Alliance, Hawaii Veterinary Medical Association, Hawaii Veterinary Technician Association, and five individuals. Your Committee received written comments on this measure from the Office of the Auditor, Department of Commerce and Consumer Affairs Regulated Industries Complaints Office, and the Board of Veterinary Examiners.

Your Committee finds that veterinary technicians perform a variety of functions, including interacting with clients, recording information of the patient, putting the patient under anesthesia, performing dental cleanings, assisting the veterinarian in surgery, placing catheters, and monitoring intravenous fluids. Your Committee further finds that this measure establishes reasonable requirements to ensure that individuals who use the designation "registered veterinary technician" are qualified to perform various tasks necessary for the proper caring of animals.

As affirmed by the record of votes of the members 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. 2671, 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, Taniguchi, Wakai).

SCRep. 2634 (Joint) Ways and Means and Judiciary and Labor on S.B. No. 75

The purpose and intent of this measure is to establish the Hawaii Battery Storage Recycling Task Force.

Your Committees received written comments in support of this measure from the Department of Health.

Your Committees find that this measure promotes the public health, safety, and welfare by establishing a task force to submit findings and recommendations to the Legislature for a workable Hawaii recycling program for battery storage devices.

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. 75, S.D. 2, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

SCRep. 2635 Ways and Means on S.B. No. 2566

The purpose and intent of this measure is to provide capital for the development of affordable rental housing by transferring excess moneys from the rental assistance revolving fund to the rental housing revolving fund.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness and one individual.

Your Committee received written comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee recognizes that Hawaii needs more affordable rental housing. Your Committee finds that the rental housing revolving fund should be provided with additional funds to facilitate the development of more affordable rental housing projects. Additionally, your Committee finds that the rental assistance revolving fund has a balance in excess of the immediate needs of the fund and, therefore, its proceeds should be transferred to the rental housing revolving 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. 2566, 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, Harimoto, Taniguchi).

SCRep. 2636 Ways and Means on S.B. No. 2823

The purpose and intent of this measure is to provide flexibility in determining the salary of the Hawaii Housing Finance and Development Corporation's Executive Director.

More specifically, this measure:

- (1) Repeals the requirement that the salary of the Hawaii Housing Finance and Development Corporation's Executive Director be not more than eighty-five per cent of the salary of the Director of Human Resources Development;
- (2) Provides that the salary of the Hawaii Housing Finance and Development Corporation Executive Director shall not exceed the salary of the Director of Business, Economic Development, and Tourism; and
- (3) Requires the Hawaii Housing Finance and Development Corporation Board of Directors to submit a report to the Legislature regarding the salary of the Executive Director prior to each regular session immediately following each adjustment to the salary.

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.

Your Committee finds that section 201H-2, Hawaii Revised Statutes, currently limits the Hawaii Housing Finance and Development Corporation Executive Director's salary at not more than eighty-five per cent of the salary of the Director of Human Resources Development. Providing instead that the Hawaii Housing Finance and Development Corporation Executive Director's salary shall not exceed the salary of the Director of Business, Economic Development, and Tourism will authorize payment of a higher salary to the Hawaii Housing Finance and Development Corporation Executive Director and will thereby help the corporation attract and retain a qualified individual who will lead the corporation toward fulfilling its mission of increasing and preserving the supply of workforce and affordable housing 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. 2823 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2637 Ways and Means on S.B. No. 2543

The purpose and intent of this measure is to clarify the responsibilities of the University of Hawaii Community Colleges.

More specifically, this measure specifies the responsibility of the University of Hawaii Community Colleges to provide short-term and rapid response occupational and certification programs designed to qualify individuals to fill new and hard-to-fill positions that require technical training in the State.

Your Committee received written comments in support of this measure from the University of Hawaii Community Colleges and the Department of Human Resources Development.

Your Committee finds that the current economy requires colleges to quickly react in order to provide the technical workforce needed by the public and private sectors. This type of short-term, rapid response training is a function of the University of Hawaii Community Colleges. Codifying the function provides formal recognition of the Community Colleges' important role in preparing a properly trained workforce.

As affirmed by the record of votes of the members 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. 2543 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2638 Ways and Means on S.B. No. 2343

The purpose and intent of this measure is to prohibit the Hawaii Public Housing Authority and the counties from disqualifying a legal nonconforming dwelling unit from the housing choice voucher program if the unit meets zoning and building code requirements and other program standards for health and safety.

Your Committee received written comments on this measure from the Hawaii Public Housing Authority.

Your Committee finds that many families face challenges as they seek to obtain affordable rental housing. The federal housing choice voucher program assists families by covering a portion of tenants' rent. Your Committee finds that while this program has enabled some Hawaii residents to find housing at an affordable cost, this measure is necessary to clarify that a legal nonconforming dwelling unit shall not be disqualified from the housing choice voucher program if the unit meets zoning and building code requirements and other program standards for health and 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 S.B. No. 2343, 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, Harimoto, Taniguchi).

SCRep. 2639 Ways and Means on S.B. No. 2971

The purpose and intent of this measure is to repeal the requirement that the Office of the Vice President for the University of Hawaii Community Colleges prepare an annual report relating to the Construction Academy.

Your Committee received written comments in support of this measure from the University of Hawaii Community Colleges.

Your Committee finds that the Construction Academy began in 2004 with a grant provided by the United States Department of Labor. This grant funded a pilot program between the University of Hawaii Community Colleges and specific Oahu high schools to prepare students for construction industry jobs. The Legislature appropriated moneys in 2006 to institutionalize and expand the program throughout the State. Your Committee also finds that the Construction Academy has since established itself as an integral program of construction-related education for the State and thus, there is no longer a need for a separate annual report on the Construction Academy.

As affirmed by the record of votes of the members 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. 2971 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2640 Ways and Means on S.B. No. 2277

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist in an industrial enterprise of Goodwill Industries of Hawaii, Inc.

Your Committee received written comments in support of this measure from Goodwill Industries of Hawaii, Inc., and one individual. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Goodwill Industries of Hawaii, Inc. and their nonprofit affiliates will use the proceeds of the sale of special purpose revenue bonds issued pursuant to this measure to finance capital improvements at Goodwill Industries' Beretania Street property. Your Committee therefore finds that the issuance of special purpose revenue bonds for the industrial enterprise within this measure 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. 2277 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2641 Ways and Means on S.B. No. 2939

The purpose and intent of this measure is to permanently authorize the University of Hawaii to maintain its separate accounting and financial management system.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services and 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 state accounting system requirements and generally accepted accounting principles. Your Committee further finds that the University's most recent update of its financial system is the Kualii Financial System, which is a comprehensive financial software package that was developed and is supported by a consortium of universities throughout the country that use an open source and partner-enhanced process. Your Committee further finds that the Kualii Financial System serves the unique needs of the University's reporting, regulatory, and accreditation requirements, while also allowing for compatibility with external partners such as the Department of Accounting and General Services.

Your Committee notes that if the University's authority to implement its own accounting system is allowed to sunset as required under current law, the University will be legally required to revert to an older financial management system that is designed for more traditional state government entities instead of university systems. Accordingly, your Committee believes that permanently authorizing the use of a tailor-made accounting and financial management system is sound fiscal policy for the University of Hawaii and 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. 2939 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2642 Ways and Means on S.B. No. 2511

The purpose and intent of this measure is to address the membership of the Broadband Assistance Advisory Council.

More specifically, this measure:

- (1) Includes the Director of Business, Economic Development, and Tourism as a permanent member of the Broadband Assistance Advisory Council;
- (2) Ensures that each county is represented by at least one member on the Broadband Assistance Advisory Council; and
- (3) Authorizes the chair of the Broadband Assistance Advisory Council to designate ad hoc members of the Council.

Your Committee received written comments in support of this measure from the Cable Television Division of the Department of Commerce and Consumer Affairs and the Department of Business, Economic Development, and Tourism.

Your Committee finds that the Broadband Assistance Advisory Council was established by the Legislature in 2010. The Council is tasked with advising the Director of Commerce and Consumer Affairs on policy and funding priorities to promote and encourage the use of telework alternatives for public and private employees and to expedite the development of affordable and accessible broadband services in the State.

The Department of Business, Economic Development, and Tourism has a significant interest in expanding broadband access and use across the State. Additionally, the Department of Business, Economic Development, and Tourism regularly communicates with the Department of Commerce and Consumer Affairs about broadband development activities and how to facilitate broadband access and use. Your Committee believes that including the Director of Business, Economic Development, and Tourism on the Broadband Assistance Advisory Council will provide the Council with an additional crucial and knowledgeable perspective.

Your Committee also finds that expanding broadband access and use must be encouraged in each county. Requiring each county to be represented on the Broadband Assistance Advisory Council ensures that an advocate for each county's broadband needs is included in the Council's discussions. Additionally, allowing the chair of the Broadband Assistance Advisory Council to designate certain persons as ad hoc members encourages community involvement and will provide the Council with supplementary expertise.

As affirmed by the record of votes of the members 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. 2511 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2643 Ways and Means on S.B. No. 2876

The purpose and intent of this measure is to clarify that lands to which the Hawaii Public Housing Authority holds title are not "public lands" that fall under the management, administration, and control of the Department of Land and Natural Resources.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority.

Your Committee recognizes that pursuant to section 356D-8, Hawaii Revised Statutes, the Hawaii Public Housing Authority may acquire, own, and hold real property, and therefore, its titled lands should not be considered state "public lands" under the jurisdiction of the Department of Land and Natural Resources. Accordingly, your Committee finds that by expressly exempting Hawaii Public Housing Authority lands from the definition of "public lands" in section 171-2, Hawaii Revised Statutes, this measure will clarify that the Authority has the power to take certain actions regarding its own lands.

As affirmed by the record of votes of the members 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. 2876, 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, Harimoto, Taniguchi).

SCRep. 2644 Ways and Means on S.B. No. 2506

The purpose and intent of this measure is to authorize the Department of Budget and Finance to issue up to \$15,000,000 in special purpose revenue bonds to assist TruTag Technologies, Inc., with financing of a manufacturing enterprise.

Your Committee received written comments in support of this measure from TruTag Technologies, Inc., and three individuals. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that TruTag Technologies, Inc., will use the proceeds of the sale of special purpose revenue bonds to finance or refinance the planning, construction, improvement, and equipping of its manufacturing facilities in Hawaii. 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. 2506 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2645 Ways and Means on S.B. No. 2867

The purpose and intent of this measure is to repeal an obsolete statutory provision that provides teachers and educational officers with annual increments or other longevity step increases.

Your Committee received written comments in support of this measure from the Department of the Attorney General, Department of Budget and Finance, Department of Education, and Office of Collective Bargaining.

Your Committee finds that salary and step increases are negotiated with teachers and educational officers pursuant to section 89-9, Hawaii Revised Statutes. Therefore, older statutory provisions relating to annual increments and step increases are now obsolete and unnecessary, and the provisions should be repealed to avoid potential confusion.

As affirmed by the record of votes of the members 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. 2867 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 7; Ayes with Reservations (Taniguchi). Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2646 Ways and Means on S.B. No. 2565

The purpose and intent of this measure is to repeal the authority of the Hawaii Public Housing Authority to sell rental units.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority.

Your Committee finds that public housing units should not be sold to its tenants or any other persons but should remain under the ownership of the Hawaii Public Housing Authority for rental to low-income tenants, which is a major immediate public need in Hawaii today. Your Committee further finds that for at least the last ten years, the authority has not exercised its ability to sell units, and has no plans to do so in the future.

As affirmed by the record of votes of the members 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. 2565 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2647 Ways and Means on S.B. No. 2244

The purpose and intent of this measure is to amend the retirement benefits of Employees' Retirement System members who first earn credited service as a judge after June 30, 2016.

Specifically, the measure:

- (1) Provides that a member of the Employees' Retirement System who first earned credited service as a judge after June 30, 2016, and has at least twelve years of credited service and attained age sixty, or has at least twenty-five years of credited service and has attained age fifty-five, is eligible to receive a pension after retirement; and
- (2) Reduces the retirement allowance for a member who first earns credited service as a judge after June 30, 2016, to two per cent of the member's average final compensation, reduced for each month the member's age at the date of retirement is below age sixty.

Your Committee received written comments in opposition to this measure from the Judiciary. Your Committee received written comments on this measure from the Employees' Retirement System and the Hawaii Government Employees Association.

Your Committee finds that this measure brings the retirement benefits of prospective judges more in line with the retirement benefits of other public employees who are members 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. 2244, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Taniguchi). Noes, none. Excused, 1 (Harimoto).

SCRep. 2648 Ways and Means on S.B. No. 3024

The purpose and intent of this measure is to address the administration of state laws relating to ethics and lobbying.

More specifically, the measure:

- (1) Reduces a fiscal year 2015-2016 appropriation to the Hawaii State Ethics Commission for the design and development of an electronic filing system from \$130,000 to \$50,000;
- (2) Establishes a task force to review the State's lobbying laws and report its findings and recommendations to the Legislature; and
- (3) Appropriates moneys to the Hawaii State Ethics Commission to establish the task force.

Your Committee received written comments in support of this measure from the Hawaii State Ethics Commission.

Your Committee finds that Act 151, Session Laws of Hawaii 2015, appropriated \$130,000 to the Hawaii State Ethics Commission for the design and development of an electronic filing system. However, the Hawaii State Ethics Commission was unable to contract with a vendor as it had originally planned. Instead, the commission is now receiving assistance from the Office of Enterprise Technology Services to implement the filing system at a lower anticipated cost.

Your Committee further finds that reducing the appropriation from \$130,000 to \$50,000 and redirecting the cost savings to establish a task force to examine and make recommendations regarding laws related to lobbying will produce information that the Legislature may use to strengthen the State's lobbying laws.

As affirmed by the record of votes of the members 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. 3024, 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, Harimoto).

SCRep. 2649 Ways and Means on S.B. No. 2369

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Hawaii Renewable Resources, LLC, with the establishment of a renewable natural gas production facility on Maui.

Your Committee received written comments in support of this measure from Renewable Energy Action Coalition of Hawaii and Hawaii Farm Bureau.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii Renewable Resources, LLC, offers sustainable solutions for the production of food and renewable energy from the conversion of recovered food and green agricultural crop resources. Hawaii Renewable Resources, LLC, proposes to own, design, build, and operate a renewable natural gas production facility on Maui to produce renewable natural gas, carbon dioxide, recovered organic composts, and recovered irrigation water. Accordingly, your Committee finds that the issuance of special purpose revenue bonds for Hawaii Renewable Resources, LLC, will benefit the public by providing alternative energy without investment or operational risk to the State or counties.

As affirmed by the record of votes of the members 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. 2369 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2650 (Majority) Ways and Means on S.B. No. 2723

The purpose and intent of this measure is to increase the minimum fines for contractors and subcontractors who violate the wage and hour requirements of employees on public works projects.

Specifically, this measure increases the minimum monetary penalties as follows:

- (1) For a first violation, from \$25 to \$1,000; and
- (2) For a second violation within two years of the first notice of violation, from \$100 to \$10,000.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Hawaii Construction Alliance, and Pacific Industrial Coatings. Your Committee received written comments in opposition to this measure from the General Contractors Association of Hawaii; Raynor Overhead Doors and Gates Inc; Building Industry Association of Hawaii; Nordic PCL Construction, Inc; Healy Tibbitts Builders, Inc; LYZ, Inc; Royal Contracting Company; and S&M Sakamoto, Inc.

Your Committee finds that currently, a contractor or subcontractor could be fined as little as \$25 for the first offense and \$100 for a second offense for violations of Chapter 104, Hawaii Revised Statutes, the wages and hours law for public works construction. Your Committee further finds that these low amounts are not sufficient deterrents for compliance with Chapter 104, Hawaii Revised Statutes. Your Committee believes that the increased fines will help deter violations of the State's public works wage and hour laws.

As affirmed by the record of votes of the members 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. 2723, 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 (Harimoto).

SCRep. 2651 Ways and Means on S.B. No. 2101

The purpose and intent of this measure is to amend various statutory provisions relating to cases filed in the small claims division of the district court.

More specifically, this measure:

- (1) Establishes that the small claims division has exclusive jurisdiction in cases for the recovery of money where the amount claimed is \$1,000 or less before interest and costs;
- (2) Makes an exception to the foregoing exclusive jurisdiction by establishing concurrent jurisdiction with the district court in cases where the plaintiff is represented by an attorney; provided that removal to the district court is at the plaintiff's option;
- (3) Prohibits awards of attorney's fees and commissions in all of the foregoing cases;
- (4) Removes service by registered mail and certified mail as options in small claims division cases for the recovery of money where the amount claimed is more than \$1,000 but does not exceed \$5,000;
- (5) Establishes that the small claims division has concurrent jurisdiction with the district court in all cases for the return of personal property worth \$5,000 or less;
- (6) Clarifies that when an action is filed in the small claims division, and the amount sought in any counterclaim exceeds the jurisdictional limit of the small claims division but does not exceed the jurisdictional limit of the district court, the action shall remain in the small claims division, except when the plaintiff requests removal to the district court; and
- (7) Clarifies that in all civil actions involving a residential landlord-tenant relationship, the district court shall have concurrent jurisdiction with the small claims division over any security deposit dispute.

Your Committee received written comments on this measure from the Judiciary.

Your Committee finds that this measure establishes certain jurisdictional and procedural provisions for the small claims division of the district court, thus allowing the court to better serve 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 is in accord with the intent and purpose of S.B. No. 2101, 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. 2652 Ways and Means on S.B. No. 2113

The purpose and intent of this measure is to expedite the processes for the handling and counting of election ballots.

More specifically, this measure:

- (1) Establishes that the preparation of absentee ballots for counting may include opening the return envelope in which the ballot envelope is enclosed and the validation of signatures, but shall not include opening the ballot envelope;
- (2) Establishes that, unless otherwise stated by election officials, the period for opening return envelopes and validating signatures begins from the day immediately after absentee ballots are transmitted to voters and ends on election day;
- (3) Provides that the foregoing procedures do not apply to any ballot cast at an absentee polling place established at a county clerk's office before or on election day;

- (4) Provides that the counting of absentee ballots may begin no earlier than the fifteenth day before an election and establishes stages for counting ballots, including a stage that allows for the duplication of a damaged ballot so that it may be counted by vote counting equipment;
- (5) In the case of absentee polling places, clarifies that the foregoing stages for counting ballots do not apply when voters directly utilize an electronic voting system or voting machine that counts their ballot;
- (6) Authorizes election officials to duplicate the votes of a voter onto a traditional ballot to be counted by the vote counting equipment, to the extent the voter has voted absentee by fax, electronic mail, or any other means authorized by law;
- (7) Authorizes official observers to observe the foregoing handling and counting activities;
- (8) Authorizes poll watchers to observe the operations of absentee polling places;
- (9) Prohibits persons present during the counting of absentee ballots from disclosing the results;
- (10) Replaces a statutory mandate for the presence of at least two official observers over election ballots for each precinct with a statutory authorization for the presence of one official observer;
- (11) Authorizes counting center employees to replace defective ballots with new ballots without official observers present; and
- (12) Establishes that any person who willfully causes the results of any absentee ballot count to become publicly known before the polls have officially closed is guilty of a misdemeanor.

Your Committee received written comments in support of this measure from the Office of Elections and the Office of the County Clerk, County of Kauai. Your Committee received written comments in opposition to this measure from Ho'omana Pono, LLC, and one individual.

Your Committee finds that current procedures for handling and counting ballots, particularly absentee ballots, place significant strain on volunteers and election personnel, and the State will soon approach a point where it will no longer be possible to count all absentee mail ballots in a single day. Your Committee therefore finds that this measure advances the public interest by streamlining the handling and counting of absentee ballots submitted by mail, absentee ballots completed at absentee polling places, and ballots submitted to traditional polling places at local precincts.

As affirmed by the record of votes of the members 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. 2113, 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. 2653 Ways and Means on S.B. No. 2926

The purpose and intent of this measure is to address the Department of Taxation's expedited appeals and dispute resolution program. Specifically, this measure amends section 231-7.5, Hawaii Revised Statutes, by:

- (1) Changing the name of the program to the administrative appeals and dispute resolution program;
- (2) Changing the title of the appeals officer from independent appeals officer to administrative appeals officer;
- (3) Making both taxpayers and return preparers eligible to petition to participate in the administrative appeals and dispute resolution program; and
- (4) Establishing conditions, procedures, and deadlines for submitting a petition to participate in the administrative appeals and dispute resolution program.

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 the expedited appeals and dispute resolution program of the Department of Taxation was established by Act 166, Session Laws of Hawaii 2009, to provide taxpayers a streamlined method to quickly and fairly resolve tax disputes over proposed or final assessments. The program was intended to be similar to the Appeals Office of the Internal Revenue Service. Your Committee further finds that this measure will clarify procedural requirements and conform the program more closely to appeals programs offered by the Internal Revenue Service.

Your Committee notes that concerns have been raised that the measure is unclear with regard to the address to which a notice of proposed assessment must be sent. Your Committee respectfully requests that, should this measure be heard by other standing committees, there be further discussion regarding these concerns.

As affirmed by the record of votes of the members 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. 2926, 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, Galuteria).

SCRep. 2654 Ways and Means on S.B. No. 2715

The purpose and intent of this measure is to require that motor vehicle safety inspections be conducted every two years rather than annually.

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 Transportation, Alik's Automotive Repair and Service LLC, and Patao Gas & Go.

Your Committee finds that a report released in August 2015 by the United States Government Accountability Office found no conclusive evidence that annual motor vehicle inspection programs improve vehicle safety conditions. Your Committee further finds that the current annual inspection requirement imposes an undue hardship to many residents, especially those in rural areas. Your Committee believes that a biennial schedule of vehicle inspections may reduce the burden on residents, but still protects the public health, safety, and 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. 2715, 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, Galuteria).

SCRep. 2655 Ways and Means on S.B. No. 2539

The purpose and intent of this measure is to establish a temporary special action team to address issues relating to the Hawaii State Hospital.

More specifically, the special action team shall:

- (1) Address capacity and census issues; and
- (2) Assist and advise the Department of Health in the development of a new forensic facility;

at the Hawaii State Hospital.

Your Committee received written comments in support of this measure from the Department of Health. Your Committee received written comments on this measure from the Hawaii Government Employees Association.

Your Committee finds that a special action team was established in 2012 to address capacity and census issues at the Hawaii State Hospital. While the special action team's report was valuable to the Governor and the Legislature, more information and action are needed to fully address remaining capacity and census issues at the Hospital. Your Committee believes that the establishment of a new special action team is necessary to overcome bureaucratic hurdles, resolve the hospital's capacity and census issues, and develop a new forensic facility at the hospital.

As affirmed by the record of votes of the members 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. 2539, 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 (English, Harimoto).

SCRep. 2656 (Joint/Majority) Judiciary and Labor and Ways and Means on S.B. No. 2388

The purpose and intent of this measure is to:

- (1) Permit monies in the John A. Burns school of medicine special fund to be used for loan repayment for certain health care professionals;
- (2) Remove the cap on expenditures from the John A. Burns school of medicine special fund; and
- (3) Make permanent the physician workforce assessment fee and related requirements for use of monies in the John A. Burns school of medicine special fund.

Your Committees received testimony in support of this measure from the University of Hawai'i System, The Queen's Health Systems, Hawai'i State Center for Nursing, Hawaii Primary Care Association, Sex Abuse Treatment Center, Hawaii Medical Board, Bank of Hawaii, Hawaii State Rural Health Association, Lanai Community Health Center, and ten individuals. Your Committees received comments on this measure from one individual.

Your Committees find that the University of Hawaii John A. Burns School of Medicine's physician workforce assessment program has successfully identified the unmet need for physicians across the State and implemented efforts to recruit and retain health care providers. A shortage of primary health care providers affects health care costs and threatens the health of Hawaii's residents, particularly in rural communities and on the neighbor islands.

Your Committees further find that it is important to accept and disburse funds toward health care student loan repayment to encourage health care professionals to work in lower paying geographic areas and specialties such as primary care. The rising cost of education for health care professionals deters many health care professionals from working in rural areas or primary care, which limits access to needed health care. The Hawaii state loan repayment program gives primary health care providers an incentive to provide care at designated health professional shortage areas in Hawaii in order to receive assistance with repayment of educational loan debt.

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. 2388 and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.
Judiciary and Labor: Ayes, 6. Noes, 1 (Slom). Excused, none.
Ways and Means: Ayes, 9. Noes, 1 (Slom). Excused, 1 (Harimoto).

SCRep. 2657 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2453

The purpose and intent of this measure is to:

- (1) Repeal the prohibition on suspension or waiver of fines for violations of certain aquatic resource laws;
- (2) Authorize the court to require a person who violates certain laws pertaining to aquatic resources to complete an aquatic resources educational class administered by the Department of Land and Natural Resources in lieu of or in addition to paying a monetary fine; and
- (3) Authorize the court to require a person who violates certain laws pertaining to aquatic resources to perform community service administered by the Department of Land and Natural Resources in lieu of paying a monetary fine.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Judiciary, Office of Hawaiian Affairs, Aha Moku Advisory Committee of the Department of Land and Natural Resources, Conservation Council for Hawai'i, and two individuals.

Your Committees find that educational programs and community service opportunities are effective sentencing alternatives to address resource offenses and violators. The Department of Land and Natural Resources has already developed and uses an educational curriculum that provides a broad overview of information pertaining to aquatic resource statutes and regulations. Implementation of this measure will deter future aquatic resources violations, enhance public knowledge about the State's resources, and ensure appropriate punishment.

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. 2453 and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2658 Ways and Means on S.B. No. 2841

The purpose and intent of this measure is to facilitate a public employer's payment of contributions to the Employees' Retirement System.

Specifically, the measure:

- (1) Authorizes the State and the counties to make advance payments to the system in lieu of monthly payments;
- (2) Provides that the Employees' Retirement System's determination of the actual amounts owed by the State and counties for a fiscal quarter take into account any excess contributions, as well as amounts paid, in the previous quarter; and
- (3) Requires that these payment procedures commence on July 1, 2016.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that this measure clarifies that public employers may make contributions to the system in advance and are therefore not required to make the otherwise required monthly payments if the previous advance payments are sufficient to cover the required contributions for the month. Your Committee further finds that this measure also clarifies the manner in which quarterly reconciliations will be made.

As affirmed by the record of votes of the members 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. 2841 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2659 Ways and Means on S.B. No. 2655

The purpose and intent of this measure is to change the filing deadline for monthly, quarterly, semiannual, and annual general excise tax returns from the twentieth day of the respective applicable month to the last day of the month.

Your Committee received written comments in support of this measure from the Hawaii Business League.

Your Committee received written comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that general excise tax returns were originally due on the last day of the month following the end of the tax period. However, Act 196, Session Laws of Hawaii 2009, accelerated the filing and payment of general excise taxes to the twentieth day of the month. Your Committee further finds that the current deadline is burdensome for small business owners and contractors. Accordingly, your Committee finds that extending the general excise tax return date to the last day of the month will benefit taxpayers and 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. 2655, 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, Galuteria).

SCRep. 2660 Commerce, Consumer Protection, and Health on S.B. No. 2694

The purpose and intent of this measure is to:

- (1) Clarify Hawaii's employment security law for independent contractors by:
 - (A) Including twenty factors to be used as guidelines for the Department of Labor and Industrial Relations when determining whether an individual could be an independent contractor;
 - (B) Retaining the Department of Labor and Industrial Relations' ability to determine if an individual is an independent contractor; and
 - (C) Defining "client" and "independent contractor";
- (2) Require the Director of Labor and Industrial Relations to submit a report to the Legislature prior to the convening of the Regular Session of 2017 on the guidelines developed by the Unemployment Insurance Coverage Committee to assist auditors during investigations; and
- (3) Require the Director of Labor and Industrial Relations to submit an annual report to the Legislature regarding independent contractor and covered employment determinations.

Your Committee received testimony in support of this measure from Envisions Entertainment & Productions, Inc.; Maui Chamber of Commerce; Whalers Realty, Inc.; and three individuals. Your Committee received testimony in opposition to this measure from the International Longshore and Warehouse Union, Local 142. Your Committee received comments on this measure from the Department of Labor and Industrial Relations and Department of the Attorney General.

Your Committee finds that independent contractors are an important part of Hawaii's business community and economy. Furthermore, increasing numbers of entrepreneurs are choosing to go into business for themselves as independent contractors. However, 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. This measure clarifies the law that determines who qualifies as an independent contractor, thereby protecting legitimate independent contractors and the businesses with which they contract.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2694, 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 (Ihara, Nishihara, Ruderman).

SCRep. 2661 (Majority) Ways and Means on S.B. No. 2135

The purpose and intent of this measure is to amend the excise tax rate on the sale of large cigars.

Specifically, this measure amends the tax rate on sales of large cigars that occur on or after July 1, 2016, to the lesser of 50 cents for each large cigar or 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.; Hawaii Cigar Association; Hawaii Food Industry Association; Hawaii Smokers Alliance; Mokuleia Cigar Company; Kauai Cigar Company; and sixteen individuals.

Your Committee received testimony in opposition to this measure from the Department of Health; American Cancer Society Cancer Action Network; American Heart Association; American Lung Association of the Mountain Pacific; Coalition for a Tobacco-Free Hawaii; and fifty-six individuals.

Your Committee received comments on this measure from the Department of Taxation; Tax Foundation of Hawaii; and one individual.

Your Committee finds that the excise tax rate imposed on the sale of large cigars makes it difficult for local producers of cigars to compete with mail-order suppliers that sell cigars in Hawaii without paying state taxes and whose customers do not file their tax liability under the State's use tax law. Your Committee further finds that this measure addresses this issue by setting a cap on the excise tax imposed on the sale of large cigars, thereby limiting the burden caused by the tax.

As affirmed by the record of votes of the members 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. 2135 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; Ayes with Reservations (Taniguchi). Noes, 1 (Harimoto). Excused, none.

SCRep. 2662 Ways and Means on S.B. No. 2555

The purpose and intent of this measure is to appropriate moneys to be deposited into the emergency and budget reserve fund for fiscal year 2015-2016 to comply with the constitutional mandate to provide a tax credit or refund or make such a deposit.

Your Committee received written testimony in support of this measure from 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 either to provide a tax credit or tax refund to state taxpayers, or to make a deposit into one or more funds that serve as temporary supplemental sources of funding for the State in times of an emergency, economic downturn, or unforeseen reduction in

revenue. 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 2013-2014 and 2014-2015. However, your Committee 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 2014-2015 exceeded the revenues for fiscal year 2013-2014 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 been met.

Nevertheless, your Committee believes that in view of the pursuant economic climate, it is in the public's best interest to make a deposit into the emergency and budget reserve fund rather than provide a tax refund or credit. Your Committee finds that by increasing the reserve fund, the State will be in a better fiscal position to address possible emergencies and contingencies that may occur in the future when state revenues decline.

As affirmed by the record of votes of the members 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. 2555 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 (Riviere).

SCRep. 2663 Ways and Means on S.B. No. 2921

The purpose and intent of this measure is to conform Hawaii's income and estate and generation-skipping transfer taxes to the Internal Revenue Code as of December 31, 2015.

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 this annual conformity measure is submitted by the Department of Taxation in compliance with section 235-2.5, Hawaii Revised Statutes, which requires the department to annually submit a measure to maintain state income tax conformity with the federal Internal Revenue Code. This measure is also intended to comply with section 236E-4, Hawaii Revised Statutes, which requires the department to annually submit a measure to maintain state estate and generation-skipping tax conformity with the federal Internal Revenue Code. The purpose of conformity is to update the state tax laws with those changes made to the federal Internal Revenue Code during the past year and to adopt those changes 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. 2921 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; Ayes with Reservations (Slom). Noes, none. Excused, none.

SCRep. 2664 Judiciary and Labor on S.B. No. 2419

The purpose and intent of this measure is to propose a constitutional amendment to require the gubernatorial nominee from each political party to appoint a person from the same political party as a running mate for lieutenant governor in the general election.

Your Committee received testimony in support of this measure from the Office of the Lieutenant Governor and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that this proposed constitutional amendment will help to support a more unified, productive, and constructive elected administration for the State.

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. 2419 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 (Kim).

SCRep. 2665 Judiciary and Labor on S.B. No. 2498

The purpose and intent of this measure is to propose a constitutional amendment to:

- (1) Require written notice to the Senate for consent to a judicial appointment concurrent with the Governor's, Chief Justice's, or Judicial Selection Commission's appointment of the justice or judge; and
- (2) Clarify that the Senate's thirty-day period to reject a judicial appointment begins on the Senate's receipt of written notice of the Governor's, Chief Justice's, or Judicial Selection Commission's appointment.

Your Committee received testimony in support of this measure from one individual.

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 appointment 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.

Thus, your Committee further 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 to ensure that the Senate is provided its full thirty-day period to confirm or reject a judicial nominee. Your Committee also notes that it engaged in discussions regarding whether the Senate's constitutionally mandated thirty-day period to reject a judicial appointment is sufficient for the Senate to appropriately make its decision.

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. 2498 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; Ayes with Reservations (Gabbard). Noes, none. Excused, 1 (Slom).

SCRep. 2666 Ways and Means on S.B. No. 2972

The purpose and intent of this measure is to require, and appropriate moneys for, the University of Hawaii Sea Grant College Program to create a North Shore beach management plan for the island of Oahu.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, University of Hawaii System, Department of Design and Construction of the City and County of Honolulu, Hawaii Shore and Beach Preservation Association, Keep the North Shore Country, Land Use Research Foundation, and five individuals.

Your Committee finds that several important beaches on the North Shore of Oahu are at increasing risk of erosion and deterioration due to high energy waves, heavy winter surf, tsunami events, sea level rise and climate change, and intensive use by people who access the shoreline. Therefore, the creation of a comprehensive assessment and modern management plan for the North Shore's northwest-facing coastline would provide important guidance for establishing specific beach management policies and practices to benefit this important area.

Your Committee notes that, during its deliberations on the state budget, this Committee will consider appropriating moneys for the North Shore beach management plan from the beach restoration special fund rather than the general revenues of the State.

Your Committee has amended this measure by requiring that the University of Hawaii Sea Grant College Program submit the North Shore beach management plan to the Governor and the Legislature no later than twenty days prior to the convening of the Regular Session of 2019.

As affirmed by the record of votes of the members 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. 2972, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2972, 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 (Galuteria, Harimoto, Taniguchi).

SCRep. 2667 Ways and Means on S.B. No. 3084

The purpose and intent of this measure is to disallow the tax credit for cesspool upgrade, conversion, or connection for taxpayers whose adjusted gross income exceeds certain amounts.

Your Committee received testimony in support of this measure from the Hawaii Cattlemen's Council, Hawaii Farm Bureau, and Ponoholo Ranch Limited.

Your Committee received comments on this measure from the Department of Health, Department of Taxation, and Tax Foundation of Hawaii.

Your Committee finds that, in order to reduce the contamination of groundwater, drinking water sources, streams, and the ocean caused by cesspool pollution, Act 120, Session Laws of Hawaii 2015, established a temporary income tax credit for taxpayers who upgrade or convert a qualified cesspool into a septic system or an aerobic treatment unit system, or connect a qualified cesspool to a sewer system. The tax credit has an aggregate cap of \$5,000,000 per taxable year. Your Committee further finds that the intent of this measure is to ensure that taxpayers who are most in need of tax relief will be able to claim this credit.

Your Committee believes that, as this measure moves forward, the Department of Taxation, in consultation with the Department of Health, should consider and make recommendations on how to mitigate the impact on taxpayers whose adjusted gross income levels are close enough to the disallowance threshold that their eligibility to claim the tax credit becomes uncertain. Your Committee further believes that the counties should also offer incentives for the upgrade, conversion, or connection of cesspools.

Your Committee has amended this measure by:

- (1) Clarifying that eligibility to claim the tax credit is based on a taxpayer's federal adjusted gross income, rather than state adjusted gross income; and
- (2) Changing the effective date to January 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. 3084, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3084, 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 (Riviere, Slom). Noes, none. Excused, 2 (Chun Oakland, Taniguchi).

SCRep. 2668 (Joint) Economic Development, Environment, and Technology and Commerce, Consumer Protection, and Health on S.B. No. 1000

The purpose and intent of this measure is to establish within the Department of Accounting and General Services an Office of Information Technology, which consolidates the functions of the Chief Information Officer, Office of Information Management and Technology, and Department of Accounting and General Services' Information and Communication Services Division.

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 of this measure and inserts language to require cable operators to disclose to customers and prospective customers the minimum bandwidth that shall be provided and maximum bandwidth available, for cable communication services.

Your Committees received testimony in support of the proposed S.D. 1 from two individuals. Your Committees received testimony in opposition to the proposed S.D. 1 from Oceanic Time Warner Cable and Hawaiian Telcom. Your Committees received comments on the proposed S.D. 1 from the Cable Television Division of the Department of Commerce and Consumer Affairs.

Your Committees find that cable communication services are often offered at varying bandwidth capacities, or internet speeds, with higher maximum speeds resulting in higher costs of the service. However, a customer paying for such services will not always experience the highest internet speed due to a variety of conditions, which include the performance of a customer's computer, the type of connection between a customer's computer and modem, the distance packets travel between a customer's computer and its final destination, the congestion or high-usage levels at the website or destination, and the capacity, speeds, or access limited by the website or destination. Your Committees find that a cable communication services provider should disclose bandwidth information so that customers are fully aware of the range of internet speeds the customer is likely to experience and to allow for better informed consumer decisions when choosing cable communication services.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the measure by requiring cable operators to disclose to customers and prospective customers a statement that outside factors may affect the actual bandwidth received, rather than the minimum bandwidth that shall be provided.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1000, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1000, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Galuteria, Ruderman).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 2669 Commerce, Consumer Protection, and Health on S.B. No. 2679

The purpose and intent of this measure is to increase certain consumer protection aspects of the deferred deposit loan industry, including:

- (1) Specifying that a customer has the right to rescind a deferred deposit if certain conditions are met;
- (2) Permitting a customer to convert a deferred deposit into a loan installment plan under certain circumstances;
- (3) Protecting against harmful collection practices;
- (4) Defining annual percentage rate;
- (5) Improving loan disclosure requirements;
- (6) Capping the annual percentage rate for deferred deposit of a personal check at no more than thirty-six percent; and
- (7) Permitting prepayment of deferred deposit agreements with no additional fees.

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 the Auditor, Office of Hawaiian Affairs, The CHOW Project, Community Alliance on Prisons, Catholic Charities Hawai'i, Hawai'i Appleseed Center for Law and Economic Justice, Faith Action for Community Equity, and six individuals. Your Committee received testimony in opposition to this measure from Dollar Financial Group, Inc.; Money Service Centers of Hawaii, Inc.; and Maui Loan Inc. Your Committee received comments on this measure from the Division of Financial Institutions of the Department of Commerce and Consumer Affairs and one individual.

Your Committee finds that deferred deposit agreements, commonly referred to as payday loans, are small, short term, unsecured loans that borrowers commit to repay from their next paycheck or a regular income payment. A study by the Pew Charitable Trusts found that the majority of borrowers use deferred deposit agreements for recurring expenses, rather than unexpected expenses or emergencies, because they live paycheck to paycheck. According to testimony received by your Committee, only two percent of borrowers can afford to pay off a deferred deposit the first time. As a result, four out of five deferred deposit borrowers either default or renew a deferred deposit loan over the course of a year. Furthermore, according to the Pew Charitable Trusts, the average deferred deposit loan borrower is in debt for almost six months a year and pays an average of \$520 in fees for \$375 in credit.

Your Committee further finds that this measure offers several protections for borrowers who take out deferred deposit loans, including capping the annual percentage rate of these types of loans at thirty-six percent. Existing state law permits check cashers to charge a fee of fifteen percent of the face value of a check for each transaction, which can amount to an annual percentage rate of four hundred sixty-five percent. Your Committee notes that the thirty-six percent cap proposed by this measure would be consistent with

the growing trend around the country to provide more consumer protections for these loans. According to testimony received by your Committee, sixteen jurisdictions 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.

Your Committee additionally finds that the Division of Financial Institutions has offered suggestions that will help clarify certain aspects of this measure. Amendments to this measure incorporating these suggested clarifications are therefore necessary, although your Committee notes that additional clarification may be needed as this measure moves through the legislative process.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that a check casher shall return to a customer who exercises the right to rescind any postdated check taken as collateral;
- (2) Clarifying that if a customer notifies a check casher in writing regarding the customer's inability to repay a deferred deposit prior to the maturity of the loan term, then the check casher shall inform the customer about the ability to convert the deferred deposit to a loan installment plan;
- (3) Clarifying that a loan installment plan agreement shall provide payment terms for the total amount due on a deferred deposit; provided that the loan term shall be no longer than six months;
- (4) Specifying that payments for a loan installment plan shall not exceed five percent of a customer's monthly gross income, calculated at the time of conversion from a deferred deposit to a loan installment plan, and requiring the loan installment plan to provide for equal installment payments with the exception of the final loan installment payment;
- (5) Requiring a customer to provide proof of income at the time of conversion from a deferred deposit to a loan installment plan and specifying that if the customer fails to provide proof of income or does not have income, the deferred deposit shall become due and payable;
- (6) Specifying that all allowable outstanding principal, costs, and fees associated with a deferred deposit converted to a loan installment plan shall be amortized over the life of the loan installment plan;
- (7) Clarifying that a customer may pay the balance of a loan installment plan at any time;
- (8) Specifying that a customer who prepays a loan installment shall be refunded a prorated portion of unearned cost and fees, based on the ratio of time left before maturity to the loan installment term;
- (9) Specifying that a check casher's violation of any of the requirements for loan installment plans shall be a violation of the chapter relating to check cashing;
- (10) Clarifying that the restrictions on collection by check cashers or third parties apply to any employee, agent, or third party assignee of a check casher;
- (11) Clarifying the definition of "annual percentage rate";
- (12) Clarifying that the written agreement for deferred deposit shall not permit a check casher to accept collateral, except for the customer's postdated personal check;
- (13) Clarifying that any fees, costs, and interest charged for deferred deposit of a personal check in compliance with the check cashing law shall be exempt from the usury law;
- (14) Specifying that a customer who prepays a deferred deposit shall be refunded a prorated portion of unearned cost and fees, based on the ratio of time left before maturity to the loan term; and
- (15) Making 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2679, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2679, 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. 2670 Judiciary and Labor on S.B. No. 2112

The purpose and intent of this measure is to authorize the court to use a facility dog in a judicial proceeding if the court determines that there is a compelling necessity to facilitate the testimony of a vulnerable witness.

Your Committee 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 Hawai'i; Office of the Prosecuting Attorney, County of Kaua'i; Hawaii Youth Services Network; Hawaiian Humane Society; The Children's Alliance; and one individual.

Your Committee finds that testifying in court can be an unsettling and sometimes terrifying ordeal and the presence of a well-trained dog can aid in witness testimony by providing the witness with emotional support and comfort in the witness room and courtroom. The Department of the Prosecuting Attorney of the City and County of Honolulu testified that since 2011, the Department's facility dog, Pono, has assisted children and other traumatized crime victims during interviews, in witness waiting rooms, and occasionally in courtrooms. Although Pono has been allowed to be present and accompany children during actual court proceedings, there are no clear and specific criteria for permitting the use of facility dogs in Hawaii's courtrooms. This measure provides authorization and procedures for the use of facility dogs to facilitate the testimony of a vulnerable witness.

However, your Committee has concerns regarding the portion of the definition of "facility dog" that specifies an assistance dog accreditation organization. Your Committee believes that language in the definition needs further discussion in order to use generic terminology to refer to the accreditation organization.

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. 2112, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2112, 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 (Kim).

SCRep. 2671 Judiciary and Labor on S.B. No. 2600

The purpose and intent of this measure is to:

- (1) Repeal the standards that:
 - (A) Require a liberal interpretation of the State Ethics Code; and
 - (B) Allow the determinations of gift law violations under the State Ethics Code to be based upon an inference of impropriety, to instead require a finding of actual intent to influence the recipient of the gift;
- (2) Require State Ethics Commission advisory opinions to be approved and signed by a majority of the commission members; and
- (3) Require that two of the five members of the State Ethics Commission be appointed by the Legislature, with each house appointing one member.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, and IMUAlliance. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, League of Women Voters of Hawaii, Open Law Alliance, and eight individuals.

Your Committee finds that the State Ethics Commission, upon request, issues advisory opinions on whether the facts and circumstances of a particular case constitute or will constitute a violation of the State Ethics Code. In Advisory Opinion No. 2015-1, the Commission found ethical violations in the longstanding practice of public school teachers receiving free travel and other benefits from tour companies when chaperoning students on out-of-state educational trips. The Commission determined that the dual role as teacher and tour company representative places public school teachers in a conflict of interest under the State Ethics Code and also raises concerns under the gifts law and the fair treatment law. Some believe that this advisory opinion may have an unintended effect of depriving students of valuable learning opportunities outside of the classroom, by making it difficult for teachers to afford activities that are largely contingent upon their participation and may be based on a subjective and overly broad application of the State Ethics Code. This measure creates a more narrow interpretation and application of the State Ethics Code and gifts law.

Your Committee notes the concerns raised by the State Ethics Commission that this measure will significantly lower the minimum standards of conduct required of state employees and will erode public confidence in state government. The Commission stated in its written testimony that its advisory opinion was intended to help teachers and the Department of Education understand how the State Ethics Code applied to a school's Spring Break trip and the Commission's concerns were based on the way the trips were structured. The Commission has explained that the issues with the State Ethics Code under its advisory opinion can be addressed if the trips are organized differently, such as if the teachers are not directly involved in selecting the company and soliciting the student and their parents. While noting that changing the ways school trips are organized may add extra time and work for teachers and schools, the Executive Director of the State Ethics Commission testified that public confidence in government will be upheld because the established process will be followed without the appearance of impropriety.

Accordingly, your Committee has amended this measure by:

- (1) Deleting the purpose section;
- (2) Deleting language that would have amended the laws relating to gifts, the composition and appointing authorities of the members of the State Ethics Commission, and the interpretation of the State Ethics Code;
- (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. 2600, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2600, 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 (Kim).

SCRep. 2672 Judiciary and Labor on S.B. No. 3080

The purpose and intent of this measure is to establish the offense of theft of urn as a class C felony.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that this measure will help to prevent persons from stealing urns from cemeteries. Your Committee notes the testimony that indicates that a person may steal an urn for the urn's metal redemption value and suggests adding language to prohibit

the sale of urns to metal recyclers and establish penalties against the metal recyclers who accept and pay for urns. However, your Committee has concerns that amending this measure to add metal recycling prohibitions may not fit within its title, relating to theft.

Accordingly, 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. 3080, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3080, 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 (Kim).

SCRep. 2673 Judiciary and Labor on S.B. No. 3036

The purpose and intent of this measure is to clarify that under the State's anti-discrimination law, as set forth in part I of chapter 378, Hawaii Revised Statutes, an employer, employment agency, or labor organization may refuse to hire or refer, or discharge any individual for reasons unrelated to discriminatory practices, equal pay, criminal conviction records, or credit history.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii and Society for Human Resource Management, Hawaii Chapter. Your Committee received testimony in opposition to this measure from the Hawai'i Civil Rights Commission, ILWU Local 142, and two individuals.

Your Committee finds that the State's employment practices laws relating to discriminatory practices, equal pay, criminal conviction records, and credit history were enacted to prohibit employment discrimination against individuals based upon protected categories, but were not intended to prevent employers from taking employment action for other unrelated reasons. Implementation of this measure clarifies that an employer, employment agency, or labor organization may refuse to hire or refer, or discharge any individual for reasons unrelated to discriminatory practices, equal pay, criminal conviction records, or credit history.

Your Committee has amended this measure by:

- (1) Reinserting language to clarify that an employer may refuse to hire or refer, or discharge an individual for reasons relating to the ability of the individual to perform the work in question; provided that the employment policy is applied in a nondiscriminatory manner and unrelated to discriminatory practices, equal pay, criminal conviction records, or credit history;
- (2) Amending section 1 to reflect the amended purpose;
- (3) Inserting an effective date of January 7, 2059, for the purposes of clarity and consistency; 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. 3036, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3036, 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 (Kim).

SCRep. 2674 Judiciary and Labor on S.B. No. 2964

The purpose of this measure is to implement recommendations made by the Penal Code Review Committee pursuant to House Concurrent Resolution No. 155, S.D. 1 (2015).

Specifically, this measure amends various chapters of the Hawaii Penal Code and makes conforming amendments to several related sections of the Hawaii Revised Statutes outside the penal code.

The Department of Health, Ho'omana Pono, LLC, and one individual submitted testimony in support of this measure.

The Department of the Attorney General, the Crime Victim Compensation Commission, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, Office of the Prosecuting Attorney of the County of Kauai, and the Sex Abuse Treatment Center submitted testimony in support of this measure with amendments.

The White Collar Crime Unit of the Department of the Prosecuting Attorney of the City and County of Honolulu submitted testimony in opposition to a portion of this measure.

Your Committee finds that this measure reflects the significant and thorough work of the Penal Code Review Committee, which was established pursuant to House Concurrent Resolution No. 155, S.D. 1 (2015). After evaluating the Hawaii Penal Code, as well as other related statutes, the Penal Code Review Committee made eighty-four recommendations that were adapted into the current measure, which is composed of more than seventy sections.

The Report of the Penal Code Review Committee was submitted to the Legislature on December 31, 2015, and contains analysis and rationale for each recommendation. It is your Committee's intent that the Report of the Penal Code Review Committee should be considered as an attachment to this committee report. A copy of the Report of the Penal Code Review Committee is available at: http://www.courts.state.hi.us/docs/news_and_reports_docs/2015_PENAL_CODE_REVIEW_REPORT-FINAL-12-30-15.pdf.

Your Committee notes that the Penal Code Review Committee, as appointed by the Chief Justice, consisted of a diverse and balanced body of members representing different agencies from the law enforcement community, the defense bar, trial and appellate court judges, one Supreme Court justice, crime victims' rights organizations, the Department of Public Safety, and the Office of Hawaiian Affairs, among others. Although robust discussion on certain proposed changes to the Hawaii Penal Code did occasionally

result in minority opinions, your Committee wishes to emphasize that in many instances counter-balancing proposals were explored and incorporated into the final report to the Legislature. Thus, the recommendations of the Penal Code Review Committee, as reflected in this measure, collectively represent the majority consensus view expressed by this diverse panel, taking into account the experiences of the members who work in or interact with the criminal justice system.

Your Committee also notes concerns expressed by the Department of the Prosecuting Attorney, City and County of Honolulu, with regard to the repeal of section 708-893(1)(a), Hawaii Revised Statutes, concerning intentional use of a computer to obtain control over the property of a victim to commit theft. Your Committee wishes to note, however, that the Penal Code Review Committee carefully considered the issues presented, and decided that the felony penalties for first and second degree theft are sufficient without the enhancement provided by this section of the statute, and that, without repeal, the prevalence of smartphones in today's society may result in a rash of unduly harsh class A felony charges.

Your Committee further notes concerns expressed by various law enforcement stakeholders that raising the felony threshold amounts for theft in sections 708-831, 708-832, and 708-833, Hawaii Revised Statutes, may not be prudent. Your Committee finds, however, that the Legislature passed S.B. No. 569, C.D. 1 (2015), amending section 708-831, Hawaii Revised Statutes, in the same manner as proposed in this measure, that the felony theft threshold amount has not been revised in the past three decades, and that the other amendments proposed to other statutes in this measure reflect proportional or conforming increased thresholds. Moreover, the Penal Code Review Committee noted that the increased threshold amounts for theft in this measure are counter-balanced by an amendment to the habitual property crime statute that broadens the retrospective time frame for multiple offenses from five years to ten years, thereby providing law enforcement with greater opportunity to charge repeat property crime offenders with a class C felony.

Your Committee also notes the concern expressed by the Department of the Prosecuting Attorney, City and County of Honolulu, that habitual property crime does not pertain to lower level petty misdemeanor offenses, but to the extent that neither the Penal Code Review Committee nor this measure addresses petty misdemeanor property crime, that topic might be more suitable for a separate discussion and future legislation.

Finally, your Committee expresses concern that the revised penalties resulting from amendments to the statutes covering methamphetamine trafficking may be applied anomalously. In some instances, persons still in the course of prosecution at the time of enactment of this measure would be subject to the harsher penalties in effect at the time of the first charging of the offense. Your Committee notes the possibility of confusion or litigation arising from this situation, and will continue to seek input from interested stakeholders concerning a revision to the effective date of this measure so as to not result in disproportionate or unjust penalties for such persons.

Your Committee has amended this measure by:

- (1) Providing that sections 54, 55, and 56 of this Act shall apply to offenses committed before the effective date of this Act, under certain conditions;
- (2) Changing the effective date to January 7, 2059, to facilitate further discussion on the measure; and
- (3) 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2964, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2964, 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 (Thielen). Noes, none. Excused, 3 (Gabbard, Shimabukuro, Slom).

SCRep. 2675 Judiciary and Labor on S.B. No. 2580

The purpose and intent of this measure is to add deer to the list of animals included in the offense of theft of livestock.

Your Committee received testimony in support of this measure from Molokai Wildlife Management, LLC; and three individuals. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the types of livestock covered under the offense of theft of livestock does not include deer. As a result, farmers and ranchers who raise and sell deer in the commercial market are not protected under the law from poachers who encroach on their private lands to hunt deer. This measure provides a stronger deterrent against poaching of deer.

Your Committee has amended this measure by:

- (1) Requiring the Division of Conservation and Resources Enforcement of the Department of Land and Natural Resources to submit a report to the Legislature regarding the Division's enforcement activities with respect to poaching on private lands;
- (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. 2580, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2580, 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, Kahele, Kim).

SCRep. 2676 Judiciary and Labor on S.B. No. 2955

The purpose and intent of this measure is to:

- (1) Authorize the chief of police of the respective counties to issue permits to acquire firearms to permanent resident aliens age twenty-one years or more;
- (2) Repeal the authority of the chief of police of the respective counties to issue firearm permits to acquire firearms to aliens who are state law enforcement officers, aliens with a hunting license age eighteen years or more for use of rifles and shotguns, aliens age twenty-one years or more for a specific organized sport-shooting contest, and spouses jointly;
- (3) Require the issuing authority for firearm permits to perform an inquiry on an applicant using the Criminal Justice Information System, National Law Enforcement Telecommunications System including the United States Immigration and Customs Enforcement query therein, National Crime Information Center, and National Instant Criminal Background Check System; and
- (4) Authorize a county issuing a firearm permit to charge a single fee chargeable by and payable to the issuing county, for individuals applying for their first permit, in an amount equal to the fee charged by the Hawaii Criminal Justice Data Center.

Your Committee received testimony in support of this measure from the Police Department, City and County of Honolulu; and twenty-nine individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association and five individuals. Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that criminal background checks of firearm applicants are critical to ensure the safety of the community. Implementation of this measure will further public safety by clarifying the background check process and allowing county police departments to enroll firearm applicants into the rap back program, which will provide a mechanism to alert a county police department when the owner of a firearm is arrested for a criminal offense anywhere in the country. This notification will allow the county police departments to evaluate whether the firearm owner may continue to legally possess and own firearms.

Your Committee has amended this measure by:

- (1) Replacing “rap back system” with “rap back 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 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. 2955, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2955, 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, Kahele, Kim).

SCRep. 2677 Ways and Means on S.B. No. 2925

The purpose and intent of this measure is to specify that taxpayers who file an amended return under section 235-101, Hawaii Revised Statutes, may not claim a refund unless the refund is claimed within the time limits established by section 235-111, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Taxation.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee received comments on this measure from the Chamber of Commerce Hawaii and Tax Foundation of Hawaii.

Your Committee finds that this measure is intended to address the possibility that a taxpayer who has failed to file a refund claim within the time limits established by section 235-111, Hawaii Revised Statutes, may seek to extend the statute of limitations by merely submitting an amended federal tax return, even if no substantive changes are made to the return and irrespective of whether the return is actually accepted by the Internal Revenue Service.

However, your Committee has received testimony raising concerns that the measure, as currently drafted, is confusing and could lead to unfair treatment of taxpayers. In order to address these concerns, the Department of Taxation provided proposed language that replaces the measure’s current amendments to section 235-101, Hawaii Revised Statutes, with amendments to specify that the untimely filing of an amended federal income tax return does not reopen Hawaii’s statute of limitations for claiming a tax refund. Your Committee notes that the proposed language is similar to recommendations made by the Tax Foundation of Hawaii.

Your Committee has amended this measure by deleting the original amendments to section 235-101, Hawaii Revised Statutes, and replacing them with the amendments recommended by the Department 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 is in accord with the intent and purpose of S.B. No. 2925, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2925, 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. 2678 (Joint) Economic Development, Environment, and Technology and Ways and Means on S.B. No. 3110

The purpose and intent of this measure is to extend the appropriation to the Department of Business, Economic Development, and Technology for the High Technology Development Corporation to provide grants to businesses with a federal Phase II or III Small Business Innovation Research award through fiscal year 2016-2017.

Your Committees received testimony in support of this measure from the High Technology Development Corporation, Chamber of Commerce Hawaii, and Hawaii Aquaculture and Aquaponics Association.

Your Committees find that 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 Committees find that expanding the scope of the grant program for Phase II and Phase III awards will allow for more companies to achieve commercialization and increase the beneficial economic impacts of this program to the State.

Your Committees have amended this measure by retaining the fiscal year 2015-2016 appropriation but providing that the sum appropriated shall not lapse at the end of fiscal year 2015-2016 and that all monies that are unencumbered as of June 30, 2017, shall lapse as of that date.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3110, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3110, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 9. Noes, none. Excused, none.

Ways and Means: Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, Inouye, Riviere, Taniguchi).

SCRep. 2679 (Joint) Economic Development, Environment, and Technology and Ways and Means on S.B. No. 3109

The purpose and intent of this measure is to extend the appropriation to the High Technology Development Corporation for the manufacturing development program through fiscal year 2016-2017.

Your Committees received testimony in support of this measure from the High Technology Development Corporation; Chamber of Commerce Hawaii; Hawaii Aquaculture and Aquaponics Association; Meadow Gold Dairies; and KYD, Inc. dba K. Yamada Distributors.

Your Committees find that manufacturers in Hawaii produce goods that are in demand across the United States and around the world. Thus, there is a great need for Hawaii to develop and support manufacturing in the State to reduce Hawaii's need to import consumer products and to achieve greater economic development. The lack of available resources and the overuse of obsolete equipment have had a detrimental effect on the market competitiveness of Hawaii businesses. Your Committees further find 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. Your Committees believe that, through the provision of grants, the manufacturing development program provides financial benefits to manufacturers, thereby increasing their growth and encouraging other manufacturers to begin operations in Hawaii, to strengthen Hawaii's economy.

Your Committees have amended this measure by retaining the fiscal year 2015-2016 appropriation but providing that the sum appropriated shall not lapse at the end of fiscal year 2015-2016 and that all monies that are unencumbered as of June 30, 2017, shall lapse as of that date.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3109, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3109, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 9. Noes, none. Excused, none.

Ways and Means: Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, Inouye, Riviere, Taniguchi).

SCRep. 2680 (Joint) Judiciary and Labor and Human Services on S.B. No. 2397

The purpose and intent of this measure is to require hospitals to adopt and maintain discharge policies to ensure that patients continue to receive necessary care after leaving the hospital.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities; Self-Advocacy Advisory Council; The Queen's Health Systems; Healthcare Association of Hawaii; Hawai'i Pacific Health; Project Dana; International Longshore and Warehouse Union, Local 142; Policy Advisory Board for Elder Affairs; Kokua Council; Faith Action for Community Equity, Oahu Chapter; AARP Hawaii; and sixteen individuals. Your Committees received comments on this measure from one individual.

Your Committees find that Hawaii's population of older adults continues to increase. In 2012, it was estimated that Hawaii had the highest percentage of residents over the age of eighty-five in the United States. Over the next twenty years the percentage of Hawaii's residents over the age of eighty-five is projected to grow even higher. These individuals are the most likely to need long-term supports and services and will likely rely on family and friends as their caregivers due to financial and resource constraints.

Your Committees further find that while strong home- and community-based resources, such as respite, non-medical transportation services, and home-delivered meals, are important to help caregivers and their loved ones, medical supports are also important. Coordination among primary care providers along with preventive care will enable many seniors and other individuals with chronic or debilitating conditions to stay in their homes longer. However, in the event of an acute episode, hospitals must provide assistance to patients and their caregivers in order to prepare them for discharge and help them transition back to their homes. This measure ensures that all patients in an inpatient hospital have the opportunity to designate a caregiver who shall be notified prior to the discharge or

transfer of the patients, involved in discharge planning, and provided instructional support, to enable patients to transition back to their homes.

Your Committees understand that designation of a caregiver prior to discharge from a hospital is an important step in helping to ensure the ongoing health care of a patient. However, your Committees note that this measure does not include a process to allow for a caregiver, once designated, to later resign from that role due to the caregiver's own change in health or other circumstances, or due to a change in the condition of the patient that might require more intense or complex caregiving procedures than the designated caregiver is able to provide. For the benefit of both the caregiver and the patient, your Committees encourage that this issue be discussed as this measure continues to move through the legislative process, and that further discussion include a provision to allow for a designated caregiver to resign from that role as the caregiver deems necessary and give due notice to the hospital.

Your Committees believe that a written discharge policy including a designation of a caregiver complements and is consistent with existing standards for accreditation adopted by The Joint Commission or other nationally recognized hospital accreditation organizations or the conditions of participation for hospitals adopted by the Centers for Medicare and Medicaid Services.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2397, 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, Kahele, Kim).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

SCRep. 2681 Ways and Means on S.B. No. 2931

The purpose and intent of this measure is to improve the administration of the State's motor vehicle inspection program.

More specifically, this measure:

- (1) Authorizes the Director of Transportation to adopt administrative rules for the administration and enforcement of motor carrier vehicle safety inspections, including fees charged to vehicle owners and fees collected from stations; and
- (2) With regard to motor vehicles with insurance identification cards issued pursuant to section 431:10C-107, Hawaii Revised Statutes, repeals statutory language that requires the certificates of inspection to state the insurance effective date, carrier, and policy number; and
- (3) Clarifies that for motor vehicles with the certificates of self-insurance described in section 431:10C-606, Hawaii Revised Statutes, certificates of inspections shall state the expiration date as determined from the certificate of self-insurance.

Your Committee received written comments in support of this measure from the Department of Transportation and Hawaii Automobile Dealers Association.

Your Committee finds that the current motor vehicle inspection program is inefficient in that it requires legislation to be passed every time a change to the program is desired. Your Committee further finds that authorizing the Director of Transportation to make changes to the program by administrative rule will improve efficiency while also giving voice to stakeholder concerns.

As affirmed by the record of votes of the members 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. 2931, 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, Galuteria).

SCRep. 2682 Ways and Means on S.B. No. 2583

The purpose and intent of this measure is to require, rather than allow, the counties to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems.

Your Committee received written comments in support of this measure from two individuals.

Your Committee finds that in certain parts of the State, it is impractical to use conventional flush and septic systems due to geographical or infrastructural limitations. Additionally, people living in encampments frequently suffer from a lack of adequate toilet facilities. In 2015, the Legislature authorized the counties to approve the installation and use of composting toilets, which use no water and produce compost that can be used to enrich soil. Your Committee believes that in order to ensure access to adequate toilet facilities, the counties should be required, rather than authorized, to approve the installation and use of composting toilets in areas that are inaccessible to municipal wastewater systems.

As affirmed by the record of votes of the members 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. 2583 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 2683 Ways and Means on S.B. No. 2426

The purpose and intent of this measure is to ensure that students are provided with adequate nutrition during the school day.

Specifically, the measure prohibits public schools from denying a student a meal solely for failure to pay under certain limited situations related to the processing of an application for free or reduced lunch or the initial period of a deficient meal fund account balance.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Teachers Association, and the LGBT Caucus of the Democratic Party of Hawaii.

Your Committee finds that cases of chronic hunger can lead to achievement gaps, concentration loss, illness, increased absenteeism, behavioral problems, depression, and misdiagnosed learning disabilities. Your Committee also finds that the provision of a nutritious meal helps to ensure that needy students are well-fed and ready to learn. Thus, your Committee believes that this measure will prevent students from unnecessarily being denied free or reduced meals at school due to pending eligibility or accounting issues.

As affirmed by the record of votes of the members 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. 2426 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2684 Ways and Means on S.B. No. 2442

The purpose and intent of this measure is to establish activities of Children and Youth Day as an official state event.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities, Special Education Advisory Council, Hawaii Children's Action Network, Hawaii Youth Services Network, Parents and Children Together, and two individuals. Your Committee received written comments on this measure from the Hawaii State Ethics Commission.

Your Committee finds that the first Sunday in October is designated by state law as "Children and Youth Day." Activities of Children and Youth Day promote participation of children, youth, families, organizations, businesses, and policymakers in celebrating and embracing the well-being of Hawaii's keiki. Your Committee therefore finds that establishing activities of Children and Youth Day as an official state event is in the public interest.

As affirmed by the record of votes of the members 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. 2442, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2685 Ways and Means on S.B. No. 2776

The purpose and intent of this measure is to address issues relating to service as a Commissioner on the Public Utilities Commission.

More specifically, this measure:

- (1) Authorizes the attendance of Commissioners of the Public Utilities Commission at hearings, other than contested case hearings, by teleconference or videoconference for:
 - (A) Commissioners that reside on an island other than Oahu to attend hearings held on Oahu; and
 - (B) Commissioners that reside on Oahu to attend hearings held on islands other than Oahu;
- (2) Clarifies public notice and quorum requirements with respect to public hearings held by teleconference or videoconference;
- (3) Provides for per diem compensation for Commissioners that reside on an island other than Oahu for the days on which actual service is rendered; and
- (4) Authorizes the use of a person's island of residence as a criterion when determining the person's qualification to serve as a Commissioner.

Your Committee received written comments in support of this measure from the Division of Consumer Advocacy within the Department of Commerce and Consumer Affairs and Hawaii Energy Policy Forum. The Public Utilities Commission submitted written comments on the measure.

Your Committee finds that each island has certain unique needs and interests relating to public utilities. Accordingly, it may benefit the Public Utilities Commission to have other islands be represented. Your Committee believes that allowing a person's island of residence to be used as a criterion in selecting Commissioners of the Public Utilities Commission can help provide such broad representation.

Your Committee also finds that some individuals who reside on neighbor islands may be discouraged from serving on the Public Utilities Commission because of the costs associated with inter-island travel. Allowing Commissioners to attend Public Utilities Commission hearings by teleconference or videoconference, and providing per diem compensation, can alleviate these financial concerns.

Should a standing committee in the House of Representatives decide to hear this measure, your Committee respectfully requests that the committee and the Public Utilities Commission consider certain issues regarding the measure. Specifically, your Committee requests the consideration of:

- (1) What constitutes "actual service" for a Commissioner to receive per diem compensation;
- (2) What distinguishes "actual service" by a Commissioner who does not reside on Oahu versus service performed by a Commissioner who resides on Oahu with respect to the right to receive per diem compensation; and
- (3) Whether a Commissioner who participates in Commission hearings on an island other than that on which the Commissioner resides should receive per diem compensation for "actual service" performed.

As affirmed by the record of votes of the members 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. 2776, 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 (English, Galuteria, Taniguchi, Wakai).

SCRep. 2686 Judiciary and Labor on S.B. No. 3105

The purpose and intent of this measure is to:

- (1) Require a health care provider who refers patients to facilities in which the health care provider has a financial interest to disclose the financial interest to the patient; and
- (2) Specify that failure to disclose a financial interest to a patient is an unfair or deceptive trade act or practice.

Your Committee received testimony in support of this measure from the Hawaii Medical Board. Your Committee received testimony in opposition to this measure from the Hawaii Medical Association and two individuals.

Your Committee finds that self-referrals, which occur when a health care provider refers a patient for services or treatments at facilities in which the health care provider has a financial interest, raise questions about financial and medical conflicts of interest. Self-referrals may lead to overutilization of expensive treatments and services, which may therefore increase the cost of insurance. Your Committee further finds that this measure provides important safeguards for Hawaii patients when they are referred for services or treatments at facilities in which a health care provider has a financial interest and will enable patients to make better informed choices about their health care.

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. 3105, 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 (Kim, Shimabukuro, Slom).

SCRep. 2687 Judiciary and Labor on S.B. No. 2329

The purpose and intent of this measure is to:

- (1) Require a mortgagee or record assignee to provide to a mortgagor or borrower, upon full satisfaction of a mortgage and discharge of the secured debt, a reassignment or release of security interests in leases and rents that served as additional security for the mortgage;
- (2) Authorize title insurers or underwritten title companies to reassign or release mortgagees' security interests in leases and rents on behalf of the mortgagee or record assignee under certain conditions; and
- (3) Authorize certain entities to institute an action in any circuit court to obtain the release or reassignment instrument in the absence of compliance of a mortgagee or record assignee.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that lenders may secure loans to a borrower through a mortgage and through an assignment of the borrower's rights in leases and rents. These security interests are generally recorded in the Bureau of Conveyances and the Office of the Assistant Registrar of the Land Court as separate documents with separate document numbers. Once a loan is paid in full and satisfied, the parties to the loan may record a release of the mortgage but may fail to record a release or reassignment of the security interest in leases and rents. As a result, many of these recorded assignments of leases and rents remain on the public record and continue to be found in subsequent title searches involving a property, even though these assignments are no longer enforceable.

Your Committee further finds that title insurers and underwritten title companies are authorized to execute the release of a satisfied mortgage in certain circumstances; however, there is no corresponding mechanism for clearing the public record of the assignments of leases and rents. Accordingly, this measure amends the procedure for clearing titles to include reassignments or releases of leases and rents. This will enable title companies to better facilitate the clearing of extraneous security interests on titles to real property from the public record.

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. 2329, 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, Kahele, Kim).

SCRep. 2688 Judiciary and Labor on S.B. No. 2661

The purpose and intent of this measure is to:

- (1) Amend section 667-94, Hawaii Revised Statutes (HRS), to:
 - (A) Clarify that when a unit owner and association reach a payment plan to cure a nonjudicial foreclosure, completion of the payment plan is required to cure the default;
 - (B) Specify that if a unit owner and an association have agreed on a payment plan to prevent a nonjudicial foreclosure from proceeding, any association fines imposed while the payment plan is in effect shall not be deemed a default under the payment plan; and

- (C) Clarify the obligations of a unit owner and an association while a unit owner is not otherwise in default under a payment plan;
- (2) Make various amendments to chapters 514A and 514B, HRS, to:
- (A) Clarify that the pay first, dispute later provisions in Hawaii's condominium law apply only to common expense assessments claimed by an association of apartment owners;
- (B) Specify that a unit or apartment owner who disputes the amount of an assessment may request a written statement about the assessment from the association, including that a unit or apartment owner may demand mediation prior to paying contested charges, other than common expense assessments;
- (C) Specify requirements for mediation on contested charges, except for common expense assessments; and
- (D) Repeal language that permitted associations to convert delinquent fines and late fees into delinquent common expense assessments, if certain conditions were met; and
- (3) Make conforming amendments to reflect the amendments made to chapters 514A and 514B, HRS.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that under existing law, if an association of apartment owners starts a nonjudicial foreclosure against a unit owner and the owner pays off the delinquency or proposes a payment plan that the association accepts, the association is supposed to rescind the notice of foreclosure and not proceed. However, proposing a payment plan is not sufficient on its own to cure a default. This measure clarifies that if an owner merely proposes a payment plan, the notice of nonjudicial foreclosure is not rescinded, but rather put on hold until the owner completes the payment plan.

Your Committee further finds that existing law states that an association cannot pursue nonjudicial foreclosure against any unit solely due to fines, penalties, legal fees, or late fees. Encouraging mediation when association assessments other than common expense assessments are in dispute, and prior to any foreclosure process being initiated, would be beneficial to associations and condominium owners. This measure assists condominium owners and associations when there are issues regarding nonpayment or disputes regarding penalties or fines, late fees, late filing fees, or other charges in an assessment, including common expense assessments. Your Committee further finds that this measure is intended to amend Hawaii's pay first, dispute later provisions within the State's condominium code, to make it clear that common area maintenance fees, also known as common expense assessments, are the only fees that must be paid prior to initiating a dispute. All other penalties or fines, late fees, lien filing fees, or other charges in an assessment can be submitted to mediation prior to payment.

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. 2661, 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, Kahele, Kim).

SCRep. 2689 Judiciary and Labor on S.B. No. 2813

The purpose and intent of this measure is to:

- (1) Require courts to forward to the Hawaii Criminal Justice Data Center all information from adult guardianship appointment orders, as requested by the Hawaii Criminal Justice Data Center, to be reported for inclusion in the National Instant Criminal Background Check System; and
- (2) Require the Hawaii Criminal Justice Data Center to maintain orders of appointment or information from orders of appointment for use in firearms permitting and registration.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that there is a need to ensure that those who are mentally incapacitated do not have the opportunity to possess a firearm. Under existing laws, neither firearms sellers nor police have any way to know if an adult has been appointed a guardian. Implementation of this measure will enhance public safety by allowing guardianship appointment information to be shared with the National Instant Criminal Background Check System and disclosed to local law enforcement for the purposes of firearms permitting and registration.

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. 2813, 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, Kahele, Kim).

SCRep. 2690 Judiciary and Labor on S.B. No. 2848

The purpose and intent of this measure is to amend requirements under the money transmitters law for money transmitter licensee change in control applications and update a reference to federal Regulation E.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that under the existing money transmitters statute, only a money transmitter licensee may submit an application to the Commissioner of Financial Institutions requesting approval for a proposed change in control of the money transmitter licensee. This is impracticable in hostile takeover situations in which a licensee may be uncooperative. Accordingly, this measure expands the class of persons who may apply for the Commissioner's approval of a change in control. This measure also

enhances consumer protection by enabling the Division of Financial Institutions of the Department of Commerce and Consumer Affairs to conduct criminal history record checks on persons assuming control of the money transmitter licensee, which will enable the Commissioner to determine whether the persons requesting approval of the change in control possess the requisite character and general fitness to properly and lawfully control the licensee without jeopardizing the interests of the public.

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. 2848 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2691 Judiciary and Labor on S.B. No. 2246

The purpose and intent of this measure is to repeal the provision making refusal to submit to a breath, blood, or urine test upon arrest, a petty misdemeanor.

Your Committee received testimony in support of this measure from the Department of Transportation; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kaua'i; and Office of the Public Defender.

Your Committee finds that this measure brings Hawaii law into compliance with the Hawaii Supreme Court ruling in State v. Yong Shik Won, 136 Hawaii 292 (2015). In that case, the Court ruled that section 291E-68, Hawaii Revised Statutes, is unconstitutional because it prescribes a petty misdemeanor penalty for refusal to submit to a breath, blood, or urine test. The criminal penalty of a petty misdemeanor tends to negate any voluntary choice by the driver because there is an element of coercion. In Yong Shik Won, the Court ruled, "Here, because voluntary consent has not been demonstrated and no other exception to the warrant requirement is applicable, the result of Won's breath test, the product of the warrantless search, is not admissible into evidence."

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. 2246 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2692 Judiciary and Labor on S.B. No. 2873

The purpose and intent of this measure is to address an inconsistency in statutory requirements regarding orders for immediate protection by allowing the Department of Human Services discretion when determining whether to seek an order for immediate protection of vulnerable adults.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that seeking an order for immediate protection is one of the many remedial actions the Department of Human Services is authorized to take pursuant to section 346-228, Hawaii Revised Statutes. This measure clarifies that the Department is allowed, rather than required, to seek an order for immediate protection when appropriate under the circumstances, thereby providing the Department with flexibility and discretion to appropriately address or resolve matters of abuse or prevent the further abuse of a vulnerable adult.

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. 2873 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2693 Ways and Means on S.B. No. 2788

The purpose and intent of this measure is to amend the law relating to the membership requirements of the Molokai Irrigation System Water Users Advisory Board.

More specifically, this measure:

- (1) Authorizes agents, officers, or employees of Molokai irrigation system users to be Molokai Irrigation System Water Users Advisory Board members; and
- (2) Removes the requirement that Molokai Irrigation System Water Users Advisory Board members be active general excise tax licensees.

Your Committee received written comments on this measure from the Department of Agriculture and a member of the Maui County Council.

Your Committee finds that the Molokai Irrigation System Water Users Advisory Board was created to advise the Department of Agriculture on matters of concern to users of the irrigation system, provide support to the irrigation facilities, participate in the long-range planning of the irrigation system, and act as a liaison between the users of the irrigation system and the Department of Agriculture. Since 2010, Advisory Board members must be residents of Molokai and active general excise tax licensees. These requirements have prevented the Advisory Board from attracting qualified members to serve. Presently, only two out of a possible seven positions on the Advisory Board are filled. Your Committee believes that authorizing agents, officers, or employees of Molokai irrigation system users to be Advisory Board members and removing the requirement that board members be active general excise tax licensees will make more Molokai irrigation system users eligible to serve on the Advisory Board.

As affirmed by the record of votes of the members 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. 2788 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2694 (Majority) Ways and Means on S.B. No. 2398

The purpose and intent of this measure is to establish a collective bargaining unit for graduate student assistants employed by the University of Hawaii.

Your Committee received written comments in support of this measure from the University of Hawaii at Manoa Graduate Student Organization and the University of Hawaii Professional Assembly.

Your Committee received written comments in opposition to this measure from the University of Hawaii System, Department of Budget and Finance, and Office of Collective Bargaining.

Your Committee finds that graduate student assistants are a vital part of the University of Hawaii System. Graduate student assistants teach courses, conduct research, and perform administrative duties. Despite increases in inflation and living costs, the graduate student assistant pay rate has not increased in over a decade. Additionally, the comparatively short duration of many graduate student assistant positions leaves graduate student assistants vulnerable to exploitation or retaliation.

Your Committee has amended this measure by delaying the formation of the graduate student assistant collective bargaining unit until July 1, 2017, to allow time for the organization and planning of the unit.

As affirmed by the record of votes of the members 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. 2398, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2398, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Chun Oakland, Riviere, Wakai). Noes, 1 (Slom). Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2695 Ways and Means on S.B. No. 2438

The purpose and intent of this measure is to change the means of financing of the Campaign Spending Commission's operating expenses, including staff salaries and fringe benefits, from the Hawaii election campaign fund to the general revenues of the State.

Your Committee received written comments in support of this measure from the Campaign Spending Commission, the League of Women Voters, Common Cause Hawaii, and one individual.

Your Committee received written comments in opposition to this measure from Ho'omana Pono, LLC.

Your Committee finds that the Campaign Spending Commission's operating expenses are currently funded through the Hawaii election campaign fund. The Hawaii election campaign fund is also used to provide funding to candidates under the public funding program.

Your Committee also finds that the Campaign Spending Commission has operated at an average net deficit of approximately \$524,000 for the past seven fiscal years. The Campaign Spending Commission has attempted to increase its revenue to address its continued deficit, but these efforts have been unsuccessful. The Campaign Spending Commission projects that the funds in the Hawaii election campaign fund will be near depletion by December 2017, and as a result, sufficient moneys will not be available in the fund to finance the public funding program. Your Committee believes that the continued existence of the public funding program is an important component of the State's democratic process, and funding of the Campaign Spending Commission's operating expenses through the general revenues of the State will preserve funding for the public funding program.

Your Committee notes that the fringe benefits for the Campaign Spending Commission positions shall be paid by the Department of Budget and Finance under the applicable budget program ID and that the other operating expenses of the Campaign Spending Commission, including staff salaries, shall be paid through funds appropriated in the Commission's budget program ID.

Accordingly, your Committee has amended this measure to exclude the cost of the fringe benefits by reducing the amount of the appropriation from \$661,545 to \$495,506.

As affirmed by the record of votes of the members 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. 2438, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2438, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2696 Ways and Means on S.B. No. 2196

The purpose and intent of this measure is to establish a law enforcement officer independent review board within the Department of the Attorney General to review criminal investigations of incidents of officer-involved death or serious bodily injury conducted by law enforcement agencies and make recommendations to the respective county prosecuting attorney.

This measure also appropriates funds to establish the review board.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and one individual. Your Committee received written comments in opposition to this measure from the Civil Beat Center for the Public Interest and one individual.

Your Committee finds that this measure will promote greater transparency of law enforcement operations and more accountability for law enforcement actions taken by law enforcement officers. The establishment of an independent review board will provide an additional layer of independent review of those law enforcement actions.

Your Committee also notes that as this measure crosses over to the next body of the Legislature, further work should be done to address the concerns raised in the prior hearing by the Department of the Attorney General and the Department of the Prosecuting Attorney of the County of Maui. Specifically, their concerns related to the scope of the review board's review, the review process, the nature and effect of the review board's recommendation, and confidentiality issues.

Your Committee has amended this measure by changing the effective date to July 1, 2076, to facilitate further discussion on 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. 2196, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2196, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2697 Ways and Means on S.B. No. 2213

The purpose and intent of this measure is to continue and appropriate funds for the nursing facility sustainability program for fiscal year 2016-2017.

Your Committee received written comments in support of this measure from the Department of Human Services, Healthcare Association of Hawaii, Hawaii Primary Care Association, The Queen's Health Systems, and Hawaii Pacific Health.

Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that ensuring that nursing facilities remain financially viable is crucial for Hawaii residents to continue to have access to long term care resources. Your Committee notes that Medicaid patients make up the majority of nursing facilities' patient population, and Medicaid payments are less than the actual costs of care. Your Committee recognizes that the nursing facility sustainability program increases Medicaid payments to Hawaii's nursing facilities and has successfully helped these facilities to offset some of the losses that they incur while caring for the most underserved patients. Accordingly, your Committee finds that this measure will enable the nursing facility sustainability program to continue supporting the crucial services provided by nursing facilities.

Your Committee has amended this measure by:

- (1) Changing the repeal date of the nursing facility program special fund from December 31, 2016, to December 31, 2017; and
- (2) Exempting the nursing facility program special fund for another year from paying for the costs associated with administering the special fund that would otherwise be imposed pursuant to sections 36-27(a) and 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. 2213, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2213, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2698 Ways and Means on S.B. No. 2026

The purpose and intent of this measure is to establish the Hawaii apprentice hunting program to provide opportunities for young persons between the ages of ten and seventeen to engage in and learn about hunting under the supervision of sponsoring adult mentors who are licensed hunters.

Your Committee received written comments in support of this measure from the County of Hawaii Game Management Advisory Commission, Hawaii Hunting Association, and two individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that hunting is an important form of recreation that contributes to wildlife management strategies. Your Committee further finds that offering aspiring young hunters positive mentorship and formal hunter education will promote safe, legal, and ethical hunting practices and enhance the sport for the entire hunting community.

Your Committee has amended this measure by:

- (1) Clarifying that a licensed hunter who accompanies an apprentice hunter while engaged in hunting shall remain close enough to the apprentice to permit uninterrupted visual contact and unaided verbal communication;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive changes for 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. 2026, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2026, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2699 Ways and Means on S.B. No. 2998

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 Governor's Coordinator on Homelessness, Hawaii Public Housing Authority, and United Public Workers.

Your Committee received written comments on this measure from one individual.

Your Committee finds that the Hawaii Public Housing Authority is the only statewide public housing agency of the State. 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. Your Committee further finds that additional funding is needed to modernize, repair, and maintain the State's public housing stock.

Your Committee has amended this measure by changing the appropriation amount from \$100,000,000 to \$4,000,000. Your Committee notes that the \$4,000,000 figure is intended to be derived from the savings in S.B. No. 2844, which reappropriates moneys to the emergency and budget reserve fund.

It should be noted that this measure serves as a vehicle to provide resources to the Hawaii Public Housing Authority for its repair and maintenance needs, but that it does not preclude the Legislature from considering the appropriation of additional funds if they become available through the budget.

As affirmed by the record of votes of the members 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. 2998, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2998, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2700 Ways and Means on S.B. No. 3101

The purpose and intent of this measure is to require and appropriate \$150,000 for fiscal year 2016-2017 for the Department of Business, Economic Development, and Tourism to conduct a study on the feasibility of establishing a public-private partnership resource agency within the department for all state departments, divisions, and agencies to use.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Department of the Corporation Counsel of the City and County of Honolulu.

Your Committee finds that, while public-private partnerships are encouraged as a means to long-term economic growth, the State lacks a comprehensive process for all agencies to engage in public-private partnerships. Your Committee further finds that cluster development, the geographic concentration of industries related by knowledge, skills, inputs, and demand, is an effective strategy for economic development. Your Committee believes that public-private partnerships could constitute the core for cluster development. Your Committee further suggests that an appropriation of \$150,000 will be sufficient for the department to hire a research firm to collect data and prepare the research necessary to determine the feasibility of establishing a public-private partnership resource agency.

Your Committee has amended this measure by:

- (1) Changing the \$150,000 general fund appropriation to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, 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. 3101, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3101, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2701 Ways and Means on S.B. No. 2493

The purpose and intent of this measure is to ensure that executive agencies of the State comply with the Hawaii Public Procurement Code, chapter 103D, Hawaii Revised Statutes.

More specifically, this measure requires the State Procurement Policy Board to:

- (1) Annually review and examine procurement contracts over \$50,000 of at least two executive departments, divisions, or agencies, selected pursuant to certain criteria;
- (2) Perform compliance examinations of any department, division, or agency, selected randomly or as otherwise provided by law; and
- (3) Report the results of all compliance examinations to the Legislature no later than twenty days prior to the convening of each regular session.

Your Committee received written comments in opposition to this measure from the Department of Budget and Fiscal Services of the City and County of Honolulu and one individual.

Your Committee received written comments on this measure from the State Procurement Office.

Your Committee finds that, in order to more readily ensure compliance with the public procurement code, the State Procurement Office must take further steps to ensure that executive agencies of the State comply with the procurement policies and procedures established pursuant to chapter 103D, Hawaii Revised Statutes. Accordingly, your Committee finds that the additional oversight and review provided by this measure will help to ensure that public contracts are being properly awarded.

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. 2493, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2493, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2702 Ways and Means on S.B. No. 2638

The purpose and intent of this measure is to make an appropriation to the Department of Accounting and General Services for the operations of the State Building Code Council.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services; Department of Business, Economic Development, and Tourism; State Building Code Council; Department of Fire and Public Safety of the County of Maui; American Council of Engineering Companies of Hawaii; American Institute of Architects; Building Industry Association of Hawaii; and General Contractors Association of Hawaii.

Your Committee finds that the State Building Code Council was established in 2007 and authorized to adopt, amend, or update state building codes and standards, pursuant to section 107-24, Hawaii Revised Statutes. However, the Council has not received any funding since its inception. Appropriating moneys for the council's operations will allow the council to perform its duties and modernize the State's building codes to promote safety and uniformity.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$150,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2076, 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. 2638, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2638, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2703 Ways and Means on S.B. No. 2162

The purpose and intent of this measure is to appropriate general funds to establish Hawaiian language resources for the Judiciary.

Your Committee received written comments in support of this measure from the Judiciary, the University of Hawaii System, the University of Hawaii at Manoa Department of Native Hawaiian Health, Kamehameha Schools, the Institute of Hawaiian Language Research and Translation, and thirteen individuals.

Your Committee received written comments in opposition to this measure from the Center for Hawaiian Sovereignty Studies and one individual.

Your Committee finds that the Judiciary Hawaiian Language Web Feasibility Task Force proposed an ideal plan to establish Hawaiian language resources in the Judiciary by translating versions of various Judiciary webpages, establishing education programs, and adding positions for Judiciary resource staff. Your Committee further finds that while the number of Hawaiian language speakers has increased over the past few decades, few individuals have Hawaiian language expertise in the fields of governance, law, business, and health due, in part, to the lack of demand for these positions. Your Committee finds that funding the ideal plan proposed by the task force will help revitalize the Hawaiian language by providing opportunities for the native Hawaiian language to be used in a professional environment.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated from \$500,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2076, 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. 2162, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2162, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2704 Judiciary and Labor on S.B. No. 2666

The purpose and intent of this measure is to prohibit health insurers, mutual benefit societies, and health maintenance organizations from discriminating against a person with respect to participation and coverage under a policy, contract, plan, or agreement on the basis of the person's actual gender identity or perceived gender identity.

Your Committee received testimony in support of this measure from the American Civil Liberties Union of Hawaii, Hawaii Medical Service Association, Hawk Health, LGBT Caucus of the Democratic Party of Hawai'i, Equality Hawai'i, Planned Parenthood Votes Northwest and Hawaii, and ten individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that many health insurance plans and policies include some form of transgender-specific exclusions. As a result, transgender individuals are excluded from health care coverage based on actual gender identity or perceived gender identity, rather than because of lack of medical necessity of treatment. While discriminatory exclusions in health insurance policies can impact transition-related services, these exclusions may also prevent transgender individuals from obtaining common wellness care treatment. Discrimination against the transgender community can have profound effects on the health care system as a whole, including increased emergency room visits, hospital admissions, and long term care needs that result from delayed or denied treatment for transgender individuals.

Your Committee further finds that ten jurisdictions, including the District of Columbia, have laws and policies protecting against discriminatory exclusions and denials of treatment based on gender identity, in at least some circumstances. The federal government is also currently acting to address the issue of discriminatory exclusions in health insurance plans. Implementation of this measure will enable Hawaii to follow this national trend by prohibiting discrimination in health care coverage, services, and treatment on the basis of actual gender identity or perceived gender identity.

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. 2666, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2666, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2705 Judiciary and Labor on S.B. No. 2912

The purpose and intent of this measure is to amend chapter 353E, Hawaii Revised Statutes, to reflect nationally recognized best practices in the statewide integrated program for sex offenders, exempt the program from chapter 92, Hawaii Revised Statutes, which includes Sunshine Law requirements, and identify the coordinating body for the sex offender treatment program as the "sex offender management team".

Your Committee received testimony in support of this measure from the Judiciary and Department of Public Safety. Your Committee received testimony in opposition to this measure from The Civil Beat Law Center for the Public Interest.

Your Committee finds that the complex nature of sexual offending and the harm it has on victims necessitate implementation of nationally recognized best practices for sex offender management. Implementation of these practices will help ensure the safety of the community while facilitating treatment of offenders. The clarifying language of this measure will empower the State to enact that implementation. Your Committee requests the Office of Information Practices to opine on the exemption from chapter 92, Hawaii Revised Statutes, as this measure moves through the legislative process.

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. 2912, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2912, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Kim).

SCRep. 2706 Judiciary and Labor on S.B. No. 2916

The purpose and intent of this measure is to include misdemeanor offenses under chapter 134, Hawaii Revised Statutes, relating to firearms, ammunition, and dangerous weapons, to the offenses that disqualify retaken and reimprisoned parolees from provisions regarding reincarceration and credit for time served.

Your Committee received testimony in support of this measure from the Department of Public Safety and Hawaii Paroling Authority.

Your Committee finds that under existing law, certain parole violators will be limited to a six-month revocation period of incarceration. Some parolees are excluded from this provision, including those charged with new felonies and certain misdemeanors. The currently identified misdemeanors do not include firearms and dangerous weapons offenses, which are considered serious violations of parole. Your Committee further finds that it is in the public interest to include firearms and weapons offenses in the list of misdemeanors that disqualify parolees from the maximum six-month parole revocation period.

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. 2916, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2916, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kim).

SCRep. 2707 Judiciary and Labor on S.B. No. 2954

The purpose and intent of this measure is to authorize the Hawaii Criminal Justice Data Center to access firearm registration data.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Police Department, City and County of Honolulu; BradyHawaii; and two individuals. Your Committee received testimony in opposition to this measure from eleven individuals.

Your Committee finds that the accurate and timely sharing of firearms registration information among counties is critical to ensure the safety of the community. Although each county currently maintains its own firearms registration information, there is no existing mechanism to share the data. Implementation of this measure will enable law enforcement agencies to quickly access critical information when checking on individuals involved in an incident and enhance officer and public safety.

Your Committee has amended this measure by:

- (1) Inserting language to require county police departments to perform an inquiry on a firearm applicant who is bringing a firearm into the State, using the Criminal Justice Information System and National Law Enforcement Telecommunications System, including the Immigration and Naturalization Service query therein, National Crime Information Center, and pursuant to section 846-2.7, Hawaii Revised Statutes, in addition to the National Instant Criminal Background Check System, before any determination to register the firearm is made;
- (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. 2954, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2954, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2708 Judiciary and Labor on S.B. No. 3033

The purpose and intent of this measure is to:

- (1) Authorize motor vehicle and boat towing options for self-service storage facility owners after sixty days or more of delinquency, provided that an occupant is provided notice;
- (2) Require self-storage facility owners to provide occupants with a notice of delinquent rent and charges, a notice of lien, and a notice of final demand and notice of sale via two of the following three methods: last known telephone number, last known electronic mail address, or last known postal address;
- (3) Allow self-storage facility owners to disseminate advertisements of sales in any commercially reasonable manner, conduct sales online, and charge late fees; and
- (4) Authorize a limit on the liability of self-service storage facility owners based on the maximum monetary value of the stored property allowed under the rental agreement.

Your Committee received testimony in support of this measure from the National Self Storage Association.

Your Committee finds that the State's self-storage facilities lien law has remained virtually unchanged since its enactment in 1984. Accordingly, this measure updates and clarifies Hawaii's self-storage facilities law.

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. 3033, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3033, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2709 Judiciary and Labor on S.B. No. 2855

The purpose and intent of this measure is to make numerous amendments to Hawaii's Mortgage Rescue Fraud Prevention Act, for consistency with the federal Mortgage Assistance Relief Services Rule.

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 there was no federal counterpart to Hawaii's Mortgage Rescue Fraud Prevention Act, which protects consumers from mortgage rescue scams, until 2010, when the Federal Trade Commission adopted the Mortgage Assistance Relief

Services Rule. Your Committee further finds that although the state law and federal regulation are designed to protect consumers from abusive mortgage relief practices, they take different approaches to identify consumers who may be in need of protection. For example, Hawaii's law focuses on properties already in distress, while the federal regulation focuses more broadly on the nature of mortgage assistance rescue services being offered. This measure reformulates state law to resolve existing conflicts and inconsistencies between the state law and federal regulations and will enable enforcement agencies to provide increased protection for vulnerable Hawaii homeowners who may be targeted by mortgage rescue scams.

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. 2855, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2855, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2710 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2411

The purpose and intent of this measure is to:

- (1) Establish requirements for body-worn cameras and vehicle cameras for county police departments; and
- (2) Appropriate funds as a grant-in-aid to each county for the purchase of body-worn video cameras and law enforcement vehicle cameras; provided that no funds appropriated to a county shall be expended unless they are matched dollar-for-dollar by the county.

Your Committees received testimony in support of this measure from the Office of Information Practices, American Civil Liberties Union, IMUAlliance, and four individuals. Your Committees received testimony in opposition to this measure from the Police Department, County of Kauai; Police Department, County of Hawai'i; State of Hawaii Organization of Police Officers; Civil Beat Law Center for the Public Interest; and three individuals.

Your Committees find that an increasing number of jurisdictions are addressing the issue of body-worn cameras and vehicle cameras being used by law enforcement officers. Body-worn cameras and vehicle cameras are useful for collecting evidence by police officers for use in court, as well as resolving incidents of alleged misconduct by officers. Implementation of this measure will increase public safety and assist law enforcement agencies with training, assessment, and disciplinary decisions.

Your Committees have amended this measure by:

- (1) Inserting language to clarify that a police officer on duty may use a body-worn camera on the grounds of a school when responding to a call for service or during an enforcement encounter, rather than when responding to an imminent threat to life or health;
- (2) Inserting language to clarify that a person is prohibited from releasing a recording created with a body-worn camera under this measure unless the person first obtains the permission of the applicable state law enforcement agencies, in addition to the applicable county police department;
- (3) Inserting language to require that body-worn camera video footage be retained for one year for non-criminal cases from the date it was recorded and for the period of the applicable criminal statute of limitations for criminal cases, rather than six months for all cases;
- (4) Requiring video footage to be permanently deleted after expiration of the applicable period, rather than the expiration of a six-month period;
- (5) Prohibiting certain video footage from being viewed by any immediate supervisor, rather than superior officer, of a law enforcement officer;
- (6) Inserting language to authorize each law enforcement agency to set policies for random auditing by the agency's respective internal affairs section;
- (7) Deleting specific appropriation amounts;
- (8) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that an appropriation of \$1,350,000 is necessary for the purchase of body-worn video cameras and law enforcement vehicle cameras to be used by each county police department to successfully implement this measure, including \$700,000 to the City and County of Honolulu, \$250,000 to the County of Maui, \$250,000 to the County of Hawaii, and \$150,000 to the County of Kauai.

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. 2411, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2411, S.D. 2.

Signed by the Chairs on behalf of the Committees.
Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kim).
Ways and Means: Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Taniguchi).

SCRep. 2711 Ways and Means on S.B. No. 2943

The purpose and intent of this measure is to establish an innovation and commercialization initiative program within the University of Hawaii to transform the products of its research and instructional activities into viable economic enterprises that will contribute to the economic development and workforce diversification of the State.

Your Committee received written comments in support of this measure from the High Technology Development Corporation; University of Hawaii system; XLR8UH; Sultan Ventures; Hawaii Venture Capital Association; Pacific Asian Center for Entrepreneurship; Hawaii Angels; Entrepreneurs Foundation of Hawaii; Startup Capital Ventures; Comprendio, Inc.; RealGreen Power; Energy Excelsator; Aloha Startups; Hawaii Business Roundtable; Impact Hub Honolulu; Chamber of Commerce of Hawaii; and one individual.

Your Committee received written comments on this measure from the State Procurement Office.

Your Committee finds that with long-standing program strengths in ocean sciences, energy research, sustainable agriculture, and astronomy, and its growing strength in cybersecurity and health sciences, the University of Hawaii is well-situated to convert selected research results into viable commercial products. Through these efforts, the university can complement the efforts of other innovation centers in diversifying the State's economy and expanding employment opportunities.

Your Committee has amended this measure by:

- (1) Adding a requirement for an annual report to the Legislature on uses of the special fund and program cooperation with other state agencies; and
- (2) Changing the effective date to July 1, 2050, in order to facilitate further discussion on 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. 2943, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2943, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2712 Ways and Means on S.B. No. 2833

The purpose and intent of this measure is to increase funding for affordable rental housing development.

Specifically, this measure amends the state low-income housing tax credit by reducing the applicable credit period from ten years to five years.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness; Department of Business, Economic Development, and Tourism; Department of Human Services; Hawaii Housing Finance and Development Corporation; Catholic Charities Hawaii; The Chamber of Commerce Hawaii; and Hawaii Association of Realtors.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that the development of low-income affordable housing is necessary to address the issue of homelessness and to respond to the critical shortage of affordable housing inventory in the State. Your Committee also finds that increasing the investment attractiveness of the state low-income housing tax credit would generate more equity to finance the development of affordable rental housing projects. Your Committee notes that the Department of Taxation estimates that this measure, as received by your Committee, will result in revenue losses of \$4,000,000 in fiscal year 2019, \$8,000,000 in fiscal year 2020, and \$12,000,000 in fiscal year 2021.

Your Committee has amended this measure by providing that the amount of the state low-income housing tax credit shall not exceed fifty per cent of the total federal credits allocated to a qualified low-income building. The amendment was recommended by the Department of Taxation. Your Committee believes that this amendment reflects the intent 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. 2833, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2833, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2713 Ways and Means on S.B. No. 2462

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of Honokohau small boat harbor to a public-private partnership or a private organization.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Mayor of Hawaii County, Hawaii Fishing and Boating Association, Kona-Kohala Chamber of Commerce, and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Government Employees Association.

The Office of Hawaiian Affairs submitted written comments on the measure.

Your Committee finds that Honokohau small boat harbor is an important piece of Hawaii County's economy. The harbor is one of the largest and busiest small boat harbors in the State, with two hundred sixty-two moorings. Despite its size and activity, Honokohau small boat harbor is unfinished and requires significant maintenance and infrastructure construction. Your Committee believes that

authorizing the transfer of Honokohau small boat harbor to a public-private partnership or private organization will allow those with the greatest interest in the harbor to maximize the small boat harbor's potential and use.

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. 2462, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2462, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2714 Ways and Means on S.B. No. 2271

The purpose and intent of this measure is to appropriate moneys for research and mitigation efforts relating to rapid ohia death disease.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Oahu Invasive Species Committee, Conservation Council for Hawaii, Coordinating Group on Alien Pest Species, and Hawaii Farm Bureau.

Your Committee finds that the ohia trees are important to Hawaii for environmental and cultural reasons. Recently, rapid ohia death disease has devastated thousands of acres of native forests on the island of Hawaii. The spread of rapid ohia death disease is so pervasive and destructive that the Board of Agriculture has placed Hawaii island ohia trees under quarantine, thereby limiting the transport and shipment of the trees. Your Committee finds that funding research and mitigation efforts to address rapid ohia death disease is crucial for the health of Hawaii's native forests and for the preservation of the ohia tree.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount from \$200,000 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. 2271, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2271, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2715 Ways and Means on S.B. No. 2738

The purpose and intent of this measure is to address tax incentives for renewable energy technologies.

Specifically, this measure replaces the current renewable energy technology systems tax credit with tax credits for solar energy property, wind energy property, and energy storage property.

Your Committee received written comments in support of this measure from Distributed Energy Resources Council of Hawaii; Hawaii Solar Energy Association; and Stem, Inc.

Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Blue Planet Foundation; Hawaiian Electric Company; and Tax Foundation of Hawaii.

Your Committee finds that the renewable energy technology systems tax credit has been successful in decreasing Hawaii's reliance on fossil fuels, stimulating our economy, and driving innovation. Your Committee also finds that, since the renewable energy technology systems tax credit was enacted, there have been many developments in the renewable energy market. Your Committee further finds that it is the intent of this measure to update the renewable energy technology systems tax credit to reflect the current renewable energy market.

Your Committee has amended this measure by:

- (1) Making corrections to conflicting dates in the measure; and
- (2) Changing the effective date to July 1, 2076, to facilitate further discussion on the measure.

Your Committee notes that the Department of Taxation has raised concerns that several provisions of the measure, as currently drafted, are ambiguous, would make the tax credit difficult to administer, and are likely to result in larger than expected revenue losses for the State. Should this measure be heard by other standing committees, your Committee respectfully requests that those committees establish provisions to avoid major revenue loss and to ease administrative implementation of the 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. 2738, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2738, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Harimoto).

SCRep. 2716 Ways and Means on S.B. No. 2496

The purpose and intent of this measure is to reduce logistical issues related to conducting elections.

Specifically, this measure:

- (1) Beginning with the primary election in 2018, requires the Office of Elections to implement an election by mail voting system in a county with a population of less than 100,000;
- (2) Beginning with the 2020 primary election, requires the Office of Elections to implement an election by mail voting system statewide for all elections;
- (3) Establishes an elections by mail system, including requirements for ballots, replacement ballots, deficient return of ballots, ballot counting, voter service centers, places of deposit, and election expenses and responsibilities;
- (4) Establishes procedures for postponed elections;
- (5) Makes conforming amendments to existing laws relating to elections to reflect and implement an elections by mail system;
- (6) Allows for the electronic transmission of mail-in ballots under certain exigent circumstances;
- (7) Appropriates funds for the implementation and administration of the elections by mail system; and
- (8) Requires the Office of Elections to submit annual reports to the Legislature from 2017 to 2023 regarding the implementation of the elections by mail system.

Your Committee received written comments in support of this measure from the Office of Elections; Office of Hawaiian Affairs; Office of the County Clerk, County of Kauai; Office of the County Clerk, County of Maui; Common Cause Hawaii; and one individual.

Your Committee finds that Hawaii has been trending towards increased mail-in voting. The 2014 Hawaii primary election was the first election in which more ballots were voted early than were cast on primary election day. Your Committee also finds that converting to an elections by mail voting system would significantly reduce logistical issues. Your Committee believes that an incremental implementation of an election by mail voting system would be the best approach for the State to transition to elections by mail.

Your Committee has amended this measure by:

- (1) Clarifying that county clerks, rather than the Chief Election Officer, shall be responsible for designating places of deposit; and
- (2) Changing the effective date to July 1, 2076, 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. 2496, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2496, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 2717 Ways and Means on S.B. No. 2556

The purpose and intent of this measure is to appropriate general funds for the annual required contribution to the Hawaii employer-union health benefits trust fund.

Your Committee received written comments in support of this measure from the Department of Budget and Finance.

Your Committee received written comments on this measure from the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that section 11 of Act 268, Session Laws of Hawaii 2013, requires the State, as the public employer, to make escalating annual required contributions in fiscal years 2014-2015 to 2018-2019 to reduce the Hawaii Employer-Union Health Benefits Trust Fund's unfunded actuarial accrued liability. Your Committee further finds that this measure provides a vehicle to appropriate funds for the annual required contribution for the 2016-2017 fiscal year, which is established as at least sixty per cent of the annual required contributions or \$744,000,000. Your Committee further finds that a contribution in excess or the minimum amount will further help to reduce the total actuarial accrued liability.

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. 2556, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2556, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2718 (Majority) Ways and Means on S.B. No. 2690

The purpose and intent of this measure is to amend the cigarette and tobacco tax law.

Specifically, this measure:

- (1) Increases the excise tax on cigarettes and little cigars sold on or after July 1, 2016, to 20 cents per cigarette or little cigar sold; and
- (2) Changes the allocations of excise tax revenues collected for cigarettes sold on and after July 1, 2016, by:
 - (A) Increasing the allocation to the Hawaii cancer research special fund to 4 cents per cigarette; and
 - (B) Adding an allocation of 2 cents per cigarette to the Department of Health's Chronic Disease Prevention and Health Promotion Division, for smoking cessation programs and education in Hawaii.

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 Heart Association, American Lung Association of the Mountain Pacific, Coalition for a Tobacco-Free Hawaii, Weinman Foundation, and fifty-six individuals.

Your Committee received written comments in opposition to this measure from the Hawaii Smokers Alliance and thirty-one individuals.

Your Committee received written comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that tobacco use is the leading cause of preventable death and disease in the United States. Further, tobacco use imposes a heavy burden on Hawaii's health care system and economy. Your Committee also finds that studies indicate that a cigarette tax or price increase tends to reduce adult and youth smoking. Your Committee further finds that Hawaii has a substantial interest in reducing the number of individuals of all ages who use tobacco.

Your Committee has amended this measure by:

- (1) Changing the excise tax rate on cigarettes and little cigars sold on or after July 1, 2016, to an unspecified amount;
- (2) Changing the allocations of excise tax revenues collected for cigarettes sold on and after July 1, 2016, to unspecified amounts; 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. 2690, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2690, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 2 (Inouye, Slom). Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2719 Ways and Means on S.B. No. 2797

The purpose and intent of this measure is to support the creation of new public charter schools.

Specifically, this measure:

- (1) Appropriates funds for start-up grants to assist one or more newly approved charter schools that meet the priority needs identified by the State Public Charter School Commission; and
- (2) Requires the State Public Charter School Commission to establish grant criteria and guidelines for the use of the appropriated funds.

Your Committee received written comments in support of this measure from Hawaii State Public Charter School Commission and Hawaii Public Charter Schools Network.

Your Committee finds that some public schools have reached full capacity or are expected to reach full capacity in the near future. Your Committee further finds that the State Charter School Commission has encouraged applications to create new public charter schools in areas that would alleviate overcrowded public schools. Your Committee believes that providing funding to assist in the establishment of these new public charter schools, as determined by the Public Charter School Commission, will help to alleviate overcrowded public schools more expeditiously than constructing new Department of Education schools.

It is the intention of your Committee that this measure not be construed as limiting the State Public Charter School Commission to providing start-up funding to only one prospective school.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated from \$200,000 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. 2797, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2797, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2720 (Majority) Ways and Means on S.B. No. 2396

The purpose and intent of this measure is to preserve access to health care for Medicaid recipients by providing \$1,900,000 in general funds to cover the costs of an inflationary adjustment 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 the Hawaii Health Systems Corporation Oahu Region, Healthcare Association of Hawaii, The Queen's Health Systems, Ann Pearl Rehabilitation and Health Care, The Clarence T.C. Ching Villas at St. Francis, Hale Kupuna Heritage Home, Ohana Pacific Management Company, Inc., One Kalakaua Senior Living, Pohai Nani, Puuwai O Makaha, Hale Makua Health Services, Hale Makua Long-Term Care, and two individuals.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that Medicaid reimbursement rates have not been adjusted for inflation since 2009 and the gap between operational costs and reimbursements for long-term care facilities in the State has widened considerably since then. Your Committee further finds that providing an inflationary adjustment to the long-term care reimbursement methodology used to reimburse facilities for Medicaid recipients will help preserve access to health care for those and future Medicaid recipients.

Your Committee notes that the Department of Human Services should look at the possibility of absorbing the inflationary adjustment for long-term care reimbursements in its annual Medicaid general fund budget of approximately \$1,000,000,000. Throughout the fiscal year, transfers are made within the program to cover fluctuating costs and support for this rate adjustment should be looked at similarly.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$1,900,000 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. 2396, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2396, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2721 Ways and Means on S.B. No. 2611

The purpose and intent of this measure is to promote compliance with statutes prohibiting or limiting the use of various forms of punishment and restraints in public schools.

Specifically, this measure:

- (1) Requires the Department of Education to submit a report on the progress toward implementing sections 302A-1141 (prohibiting physical punishment), 302A-1141.3 (prohibiting the use of seclusion, chemical restraints, and mechanical restraints), and 302A-1141.4 (limiting the use of physical restraints and establishing related department requirements), Hawaii Revised Statutes; and
- (2) Appropriates \$460,000 to provide training and data accountability to assist with the effective implementation of sections 302A-1141, 302A-1141.3, and 302A-1141.4, Hawaii Revised Statutes, and requires a report on the expenditure of those funds.

Your Committee received written comments in support of this measure from the Department of Education and the State Council on Developmental Disabilities.

Your Committee finds that in 2014, the Legislature established various prohibitions, restrictions, and guidelines regarding restraint and seclusion, including annual training and data collection, now codified as sections 302A-1141, 302A-1141.3, and 302A-1141.4, Hawaii Revised Statutes. However, the Department of Education lacks sufficient funds to comply with the annual training and data collection requirements. Your Committee further finds that the funds appropriated by this measure will assist the department in providing the annual training to personnel and providing data accountability to comply with statutory mandates.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated from \$460,000 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. 2611, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2611, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2722 Ways and Means on S.B. No. 2803

The purpose and intent of this measure is to appropriate moneys for the agricultural loan program to increase the State's food sustainability.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, and Land Use Research Foundation.

Your Committee finds that the State is heavily dependent on imported food, and that such dependence is unsustainable. To address this unsustainability, the State has committed to doubling local food production by 2030 as part of the Aloha+ Challenge. Opening new farms and expanding existing farm operations is necessary to increase local food production. However, many farmers cannot take these actions as the associated costs are too high.

The agricultural loan program was established to assist farmers in starting new or expanding existing farm operations. However, the program lacks sufficient capital to fully implement its goals and objectives. Your Committee finds that additional funding is necessary to support the agricultural loan program and help the State progress toward its food production goals.

Your Committee has amended this measure by:

- (1) Changing the \$4,000,000 appropriation to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Should a standing committee in the House of Representatives decided to hear this measure, your Committee respectfully requests that the committee examine the extent to which the moneys appropriated for fiscal year 2015-2016 have been used for loan disbursement.

As affirmed by the record of votes of the members 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. 2803, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2803, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2723 Judiciary and Labor on S.B. No. 2895

The purpose and intent of this measure is to:

- (1) Authorize the Executive Director of the Hawaii Civil Rights Commission to dismiss a complaint and issue a notice to the complainant that the complainant may bring a civil action if the Executive Director has determined that there is reasonable cause to believe that an unlawful discriminatory practice has occurred and has been unable to secure a conciliation agreement from the respondent;
- (2) Allow the Executive Director to reconsider on the Executive Director's own initiative the dismissal of a complaint and issuance of a notice of the right to sue, which shall not be subject to judicial review; and
- (3) Amend the Executive Director's authority with respect to fair housing to comply with 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 received comments on this measure from the Hawaii Disability Rights Center and 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 notes that the language in this measure is substantially similar to H.B. No. 683, H.D. 1, S.D. 1 (Regular Session of 2015) which is a measure that was carried over and currently pending in Conference.

Your Committee has amended this measure by:

- (1) Clarifying that the Executive Director's determination that a complaint is to be dismissed and to issue a notice of right to sue may be subject to reconsideration by the Hawaii Civil Rights Commission on its own initiative but shall not be subject to judicial review;
- (2) Inserting the 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. 2895, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2895, 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 (Kim).

SCRep. 2724 Judiciary and Labor on S.B. No. 2810

The purpose and intent of this measure is to amend the Uniform Parentage Act to allow the court to authorize service by publication if the defendant in a paternity case cannot be located or personally served.

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 received comments on this measure from one individual.

Your Committee finds that existing law specifies service by registered or certified mail in paternity cases when the defendant is not found within the circuit. This measure codifies the Family Court's practice of allowing service by publication in paternity cases and makes service in these cases consistent with service in other Family Court proceedings. Your Committee encourages discussion regarding constructive service through electronic means, including social media, as this measure moves through the legislative process.

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. 2810, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2810, 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 (Kim).

SCRep. 2725 (Majority) Judiciary and Labor on S.B. No. 2420

The purpose and intent of this measure is to propose a constitutional amendment to amend the timeframe to renew the term of office of a justice or judge and require consent of the Senate for a justice or judge to renew a term of office.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Judiciary; Office of the Public Defender; Hawaii State Bar Association; West Hawaii Bar Association; Kauai Bar Association; Hawai'i County Bar Association; Hawai'i Women Lawyers; American Judicature Society; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; William S. Richardson School of Law Student Bar Association; and twenty-eight individuals. Your Committee received comments on this measure from fifteen individuals.

Your Committee finds that the Hawaii State Constitution requires every justice or judge to petition the Judicial Selection Commission to be retained in office. Retention proceedings, like all of the Judicial Selection Commission's proceedings, are kept secret by the Commission and all information considered by the Commission are not disclosed. If the Judicial Selection Commission determines that the justice or judge should be retained, the Judicial Selection Commission is authorized by the state constitution to renew the justice's or judge's term. Unlike the original appointment of a justice or judge, Senate consent is not required for a justice's or judge's term renewal. Therefore, only the Senate confirmation process of a justice's or judge's initial appointment is open to public scrutiny.

This measure proposes a constitutional amendment to authorize the Senate, rather than the Judicial Selection Commission, to renew a justice's or judge's term while retaining the Judicial Selection Commission's constitutionally mandated responsibility to determine whether a justice or judge should be retained in office and providing the Judicial Selection Commission six months to make its determination then immediately provide written notice to the Senate of an approval for retention. The Senate would need to hold a public hearing within ninety days; otherwise, the Judicial Selection Commission's determination would take effect.

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. 2420 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; Ayes with Reservations (Gabbard, Shimabukuro). Noes, 1 (Thielen). Excused, 1 (Slom).

SCRep. 2726 Judiciary and Labor on S.B. No. 2153

The purpose and intent of this measure is to allow adopted individuals who have attained eighteen years of age, adoptive parents, and natural parents unfettered access to the adopted individual's adoption records.

Your Committee received testimony in support of this measure from the National Center on Adoption and Permanency, American Adoption Congress, Adoption Circle of Hawai'i, Bastard Nation: The Adoptee Rights Organization, and thirty-eight individuals.

Your Committee finds that states began sealing adoption records in the middle of the twentieth century to protect adopted children from the stigma of illegitimacy. However, current research has illustrated that the secrecy surrounding an adoption has significant negative psychological consequences on an adoptee. Furthermore, cultural changes have largely diminished the stigma surrounding adoption, and recent genetics research has highlighted the importance of genetic history to an individual's medical care. Hawaii's adoption records law continues to condition access to records on birthparent approval, which is a major hurdle for adoptees to overcome. This measure eases the restrictions on access to sealed court adoption records in the interest of transparency and access to family medical history.

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. 2153, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2153, 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 (Kim).

SCRep. 2727 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2569

The purpose and intent of this measure is to:

- (1) Establish a community court outreach project until June 30, 2020, in the City and County of Honolulu under the Judiciary to operate a mobile court that travels to community sites where defendants cited or arrested for nonviolent offenses live or congregate and dispose of these cases after plea agreements are reached by the City and County of Honolulu Prosecutor and Public Defender;
- (2) Require the Chief Justice to determine whether funds are sufficient to administer and operate the community court outreach program and enter into memoranda of agreements with the City and County of Honolulu Prosecutor and Public Defender;
- (3) Require the Chief Justice to submit annual reports to the Legislature and Governor regarding the program measures and outcomes, and any comments and recommendations; and
- (4) Appropriate funds to the Judiciary for the establishment, administration, and operation of the community court outreach project; and require the Chief Justice to transfer specific amounts to the City and County of Honolulu Prosecutor and Public Defender for project participation.

Your Committees received testimony in support of this measure from the Judiciary; Governor's Coordinator on Homelessness under the Office of the Governor; Public Defender; and Department of the Prosecuting Attorney, City and County of Honolulu.

Your Committees find that hundreds of Honolulu residents are cited or arrested for nonviolent offenses that do not pose a threat to the public. Once these minor, nonviolent offenders are brought into court, the sentences imposed are often monetary fines because these offenses are not serious enough to warrant incarceration. However, most of the offenders who are fined are unable to pay the fines and remain in the system without a meaningful resolution that will prevent recurrence of the offenses or provide rehabilitative services. By establishing a community court outreach project within the City and County of Honolulu, this measure presents a combination of accountability and treatment options to offenders to reduce crime and recidivism.

Your Committees have amended this measure by:

- (1) Adopting the language suggested by the Judiciary that clarifies that the offenses covered under the community court outreach project are cases involving nonviolent, nonfelony offenses, rather than nonviolent offenses identified by the Chief Justice;
- (2) Deleting the appropriation amount to the Judiciary to administer the community court outreach project and the amounts to be transferred to the City and County of Honolulu Prosecutor and Public Defender for project participation;
- (3) Inserting an effective date of January 7, 2019, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that an appropriation of \$612,610 in general revenues is necessary for fiscal year 2016-2017 for the Judiciary to establish, administer, and operate the community court outreach project. Your Committees further note that of the total appropriation amount, \$170,000 is necessary for the City and County of Honolulu Prosecutor and \$200,000 is necessary for the Public Defender for program participation.

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. 2569, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2569, 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, Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Taniguchi).

SCRep. 2728 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2554

The purpose and intent of this measure is to propose a constitutional amendment to include in the disposition of excess general fund revenues the appropriation of general funds for the pre-payment of general obligation bond debt service, pre-payment of pension or other post-employment benefit liabilities, or both.

Your Committees received testimony in support of this measure from the Department of Budget and Finance.

Your Committees find that this constitutional amendment will provide the Legislature alternatives in the disposition of excess revenues in addition to its existing options, which include providing a tax refund or tax credit, or depositing excess funds into one or more emergency and budget reserve funds.

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. 2554 and recommend that it pass Second Reading 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, Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Taniguchi).

SCRep. 2729 (Joint) Human Services and Ways and Means and Judiciary and Labor on S.B. No. 2562

The purpose and intent of this measure is to:

- (1) Require the Department of Accounting and General Services to implement, beginning on January 1, 2017, a temporary cleanup program for debris and litter removal from state real property after individuals who had illegally camped or lodged at the property have departed;

- (2) Require the Department of Public Safety to implement, beginning on January 1, 2017, a temporary sheriff patrol program to enforce laws and rules prohibiting trespassing, camping, or being present after closing hours on state real property;
- (3) Establish the offense of criminal trespass onto public real property; and
- (4) Amend criminal trespass statutes to improve the enforceability of the statutes.

Your Committees received testimony in support of this measure from the Department of the Attorney General and Department of Land and Natural Resources. Your Committees received comments on this measure from the Department of Accounting and General Services, Department of Public Safety, and one individual.

Your Committees find that many state agencies are facing similar challenges relating to removing trespassing individuals from public property under the respective agency's control, and cleaning up after these individuals when they leave. Your Committees also find that rather than having these state agencies deal with these issues independently, this measure offers a potentially efficient and humane approach to addressing these issues.

Your Committees recognize that like this measure, S.B. No. 2816, as amended (Regular Session of 2016), addresses trespassing on state lands. If both this measure and S.B. No. 2816 should proceed, your Committees note that the language in these measures should be made consistent with each other such that there is no overlap or confusion in the law.

Your Committees further note the testimony of the Department of Public Safety estimating the cost for the temporary deputy sheriff positions for the program to be \$2,090,000, including \$738,000 for seven months of overtime for twelve deputy sheriffs for the period of time from January 1, 2017, to July 31, 2017; \$390,000 for six months of new hire salaries, equipment, and supplies for twelve deputy sheriffs for the period of time from January 1, 2017, to July 31, 2017; \$240,000 for six vehicles at \$40,000 per vehicle; and \$722,000 for one year's salary for twelve deputy sheriff positions for the period of time from July 1, 2017, to June 30, 2018.

Your Committees request that the Department of Accounting and General Services and Department of Public Safety work together to better assess the cost of the temporary programs, including the cost of the full-time employees that the program requires.

Your Committees have amended this measure by:

- (1) Removing the amounts of the appropriations for fiscal year 2016-2017;
- (2) Removing the number of positions for the temporary deputy sheriff program;
- (3) Broadening the scope of the temporary cleanup program to include cleaning state real property after the departure of any persons known, or suspected to have, illegally or without permission camped or lodged on state real property;
- (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 Human Services, 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. 2562, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2562, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Harimoto, Ruderman).

Ways and Means: Ayes, 9. Noes, none. Excused, 2 (Harimoto, Taniguchi).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 2730 Education on S.B. No. 2981

The purpose and intent of this measure is to recognize American Sign Language as a foreign language and allow public school students who pass courses in American Sign Language to receive credit toward foreign language graduation requirements.

Your Committee received testimony in support of this measure from the Hawaii Disability Rights Center; Disability and Communication Access Board; Maui Deaf Friends; Isle Interpret, LLC; and thirty-four individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that American Sign Language is a vital part of the linguistic heritage of the State. Familiarity and proficiency in American Sign Language benefits hearing impaired and non-impaired individuals by allowing easier, more efficient communication and exchange of ideas. Additionally, research indicates that individuals with disabilities other than hearing impairment learn and gain proficiency in American Sign Language more quickly than in other languages such as Chinese or Spanish.

Your Committee further finds that, although American Sign Language is commonly used within English-dominant communities, its grammar and word order are different from English. By any measure, American Sign Language is a distinct language and its study should fulfill any foreign language graduation requirements in Hawaii's public schools. Your Committee also finds that the Department of Education uses the term "world language" to refer to courses in languages other than English.

Your Committee has amended this measure by:

- (1) Changing the description of American Sign Language from a "foreign language" to "world language"; 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. 2981, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2981, 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 (Dela Cruz, Slom).

SCRep. 2731 (Majority) Ways and Means on S.B. No. 2454

The purpose and intent of this measure is to change the state income tax rates for taxable years beginning after December 31, 2015.

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 Act 60, Session Laws of Hawaii 2009, temporarily established additional tax brackets and higher income tax rates for high income earners as part of a balanced package of revenue enhancements and expenditure reductions that was necessary to maintain state government operations during the Great Recession. Act 60 was consistent with progressive tax policy. These tax rates sunsetted on December 31, 2015.

Your Committee has used this measure to make the state income tax law more progressive. Your Committee has reinstated the higher income tax rates on high-income taxpayers, but lowered the rates on the lowest income taxpayers.

Your Committee has selected this method to provide tax relief for those in the State at the lowest end of the income scale, who deserve tax relief. Your Committee has considered, over the Regular Session of 2015 and this Regular Session, various alternatives to provide tax relief to the less fortunate. While all alternatives had merit, your Committee has approved this measure because of its administrative efficiency and relative simplicity.

Your Committee has designed this measure to be near revenue neutral. According to the Department of Taxation, which has assisted your Committee greatly, the revenue gain from the reinstated rates on high income earners will generate approximately \$48,000,000 annually. The revenue loss from the reduced rates for low income earners will result in a loss of approximately \$49,700,000.

According to data from the Department of Taxation, this measure will result in lower taxes for the following:

- (1) 15.9 per cent of total resident single filers;
- (2) 8.8 per cent of total resident joint filers; and
- (3) 13.0 per cent of total resident head of household filers.

The reinstated Act 60 tax rates on high income earners will result in higher taxes for the following:

- (1) 1.0 per cent of total resident single filers;
- (2) 2.0 per cent of total resident joint filers; and
- (3) 0.4 per cent of total resident head of household filers.

Your Committee recognizes that this measure will produce tax increases at the higher income thresholds. However, your Committee believes that this consequence is an equitable trade-off for providing tax relief to people with the lowest income.

As affirmed by the record of votes of the members 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. 2454, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2454, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 2 (Riviere, Slom). Excused, 1 (Harimoto).

SCRep. 2732 Ways and Means on S.B. No. 2559

The purpose and intent of this measure is to address homelessness by increasing the availability of cost-effective shelter space.

More specifically, this measure:

- (1) Provides that emergency shelters shall comply with certain minimum requirements that meet basic needs and preferences of homeless families and individuals;
- (2) Prohibits an emergency shelter from establishing or enforcing a maximum period of stay of homeless families or individuals in the shelter;
- (3) Requires homeless shelter stipend payments to be made based on performance measures that are actually achieved;
- (4) Repeals the automatic annual adjustment of the homeless stipend amount;
- (5) Revises existing provisions on the establishment and collection of shelter and service payments by a provider agency from homeless families and individuals; and
- (6) Requires each provider agency to submit a financial audit to the Department of Human Services at least annually.

For purposes of a public hearing, your Committee circulated a proposed Senate Draft 1 (Proposed Draft) of the measure, and notified the public that your Committee would be accepting testimony on the Proposed Draft, which also addresses homelessness.

More specifically, the Proposed Draft amended S.B. No. 2559 by:

- (1) Deleting the provisions that prohibited an emergency shelter from establishing or enforcing a maximum period of stay of homeless families or individuals in the shelter;

- (2) Changing the appropriation amount for two permanent full-time equivalent program specialist IV positions from an unspecified sum to \$117,471;
- (3) Adding a section that appropriates \$5,000,000 in general funds for the establishment or improvement of emergency and transitional shelters for the homeless and funding of other non-recurring costs for projects or programs to assist homeless families and individuals;
- (4) Requiring the Department of Human Services to submit reports to the Legislature and the Governor on the expenditures from the \$5,000,000 appropriation; and
- (5) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee received testimony on the Proposed Draft from the Governor's Coordinator on Homelessness, Department of Budget and Finance, Department of the Attorney General, Department of Human Services, and one individual.

Your Committee finds that homeless families and individuals should be able to access shelter services and facilities that aid the transition to permanent housing. Your Committee recognizes that resources for the establishment and improvement of emergency and transitional shelters is needed in communities across the State.

Your Committee further finds that management of shelter contracts must be done with fidelity and geared to ensure successful outcomes for homeless individuals and families based on financial transparency and performance measures.

Your Committee has amended this measure by adopting the Proposed Draft with the following amendments:

- (1) Changing the definition of "emergency shelter" to clarify that it means a homeless facility designed to provide shelter and services "for a specified period of time;"
- (2) Replacing the bill number reference regarding the general fund appropriation of \$5,000,000 being contingent upon the reduction of an appropriation to the emergency and budget reserve fund from S.B. No. 2558 to S.B. No. 2844;
- (3) Changing the lapse date of the general fund appropriation of \$5,000,000 for the establishment or improvement of emergency and transitional shelters from June 30, 2020, to June 30, 2018;
- (4) Requiring the Department of Human Services to submit a final report, no later than September 30, 2018, rather than no later than September 30, 2017, and requiring the inclusion of the projects, programs, expenditures, and encumbrances that are or have been made as of June 30, 2018, rather than June 30, 2017;
- (5) Correcting the text of the definition of "homeless shelter stipend" and section 346-374, Hawaii Revised Statutes, to comport with the printed version of the Hawaii Revised Statutes; and
- (6) 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 S.B. No. 2559, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2559, 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 (Galuteria, Harimoto, Taniguchi).

SCRep. 2733 Ways and Means on S.B. No. 2547

The purpose and intent of this measure is to assess the merit and necessity of various tax exemptions, exclusions, and credits.

Specifically, this measure:

- (1) Requires the Auditor to periodically review certain exemptions, exclusions, and credits under the general excise and use taxes, public service company tax, and insurance premium tax;
- (2) Imposes a surcharge on each taxpayer who files a tax return and benefits from an exemption, exclusion, or credit under the general excise and use taxes, public service company tax, and insurance premium tax; and
- (3) Requires the deposit of the surcharge into the audit revolving fund.

Your Committee received testimony in opposition to this measure from two individuals.

Your Committee received comments on this measure from the Department of Taxation, Office of the Auditor, Tax Foundation of Hawaii, and one individual.

Your Committee finds that tax exemptions, exclusions, and credits require periodic review to determine their actual impact on general revenues and to assess if they are continuing to provide the benefits for which they were created. Your Committee recognizes that, although tax exemptions, exclusions, and credits result in a reduction of revenues, they are worthy of continuation when you consider and weigh out various factors, such as equity, efficiency, and economic and social policy. Your Committee further finds that regular, independent review by the Auditor would help the Legislature to identify and affirm the exemptions, exclusions, and credits that represent good public policy, provide guidance for possible changes going forward, and give a more global perspective on all exemptions, exclusions, and credits as new ones are recommended.

Your Committee has amended this measure by:

- (1) Changing the surcharge to a fee to be collected from the taxpayer or insurer filing an annual return or tax statement;

- (2) Clarifying that the fee shall be imposed per return or tax statement filed, rather than per exemption, exclusion, or credit claimed;
- (3) Providing that the fee imposed on annual tax statements filed under the insurance premium tax shall be assessed and collected by the Insurance Division of the Department of Commerce and Consumer Affairs;
- (4) Providing that claiming a tax exemption under section 237-24(13), Hawaii Revised Statutes, which relates to the gross income of businesses owned by blind, deaf, or totally disabled persons, shall not trigger the imposition of the fee;
- (5) Authorizing the Auditor to recommend the removal of a tax exemption, exclusion, or credit from the review process;
- (6) Clarifying that the tax exemption for nonprofit medical indemnity or hospital service associations or societies, under section 432:1-403, Hawaii Revised Statutes, and the tax exemption for fraternal benefit societies, under section 432:2-503, Hawaii Revised Statutes, shall be subject to review only to the extent that they apply to the general excise and use taxes, public service company tax, and insurance premium tax;
- (7) Changing the effective date from January 1, 2016, to January 1, 2017;
- (8) Changing other dates within the measure to conform to the new effective date; and
- (9) Making a technical amendment to add boilerplate language relating to the Revisor of Statutes' numbering of new sections.

It is your Committee's intent that the Department of Taxation provide the Auditor with any and all information necessary for the Auditor to conduct its review; provided that the Department of Taxation complies with applicable confidentiality statutes in doing so. Your Committee also notes that the fee established by this measure will be easier to administer on a per return or tax statement basis than per exemption, exclusion, or credit.

Should this measure be heard by other standing committees, your Committee respectfully requests that the Department of Taxation review the Hawaii Revised Statutes to identify exemptions, exclusions, or credits that should be repealed or added to the measure for purpose of review by the Auditor.

As affirmed by the record of votes of the members 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. 2547, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2547, 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 (Slom). Noes, none. Excused, 2 (Chun Oakland, Taniguchi).

SCRep. 2734 Ways and Means on S.B. No. 2923

The purpose and intent of this measure is to bring clarity and consistency to the treatment of penalties and fines within Title 14, Hawaii Revised Statutes, and promote compliance with the tax laws of the State.

More specifically, this measure:

- (1) Clarifies that interest shall be imposed on all unpaid penalties and fines;
- (2) Requires the chairperson of the applicable Board of Review to file a notice of transfer with the Tax Appeal Court when the board receives notice that a taxpayer elects to transfer a tax appeal to that court;
- (3) Specifies the interest rate on amounts paid out of the litigated claims fund; and
- (4) Provides that for assessments exceeding \$50,000, the assessed taxes, penalties, and interest shall be paid prior to an appeal.

Your Committee received written testimony in support of this measure from the Department of the Attorney General and the Department of Taxation.

Your Committee received written testimony in opposition to this measure from The Chamber of Commerce Hawaii, the Council on State Taxation, the Tax Committee of the Hawaii Society of Certified Public Accountants, and two individuals.

Your Committee received written comments on this measure from the Tax Foundation, the Tax Foundation of Hawaii, and one individual.

Your Committee finds that this measure will:

- (1) Provide clarity and create uniformity by imposing interest on all unpaid penalties and fines rather than only on penalties and fines that become part of the tax pursuant to statute;
- (2) Provide procedural clarity regarding a taxpayer's exercise of the right to transfer an appeal from the Board of Review to the Tax Appeal Court, and the duties of the Board of Review upon receiving a notification of the transfer; and
- (3) Simplify the rate of interest to be paid to taxpayers on funds held in the litigated claims fund by plainly stating the interest rate rather than referring to a formula computed with reference to the Internal Revenue Code.

Your Committee has amended this measure by:

- (1) Deleting an amendment requiring that a taxpayer's first tax appeal to the Board of Review or Tax Appeal Court may be made without payment of the tax assessed only if the assessment does not exceed \$50,000, which was characterized in testimony as an unfair "pay to play" requirement and was the primary focus of testifiers who opposed the measure; and
- (2) Specifying the rates of interest to be paid to successful appealing taxpayers on funds held in the litigated claims 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. 2923, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2923, 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. 2735 (Joint) Ways and Means and Higher Education and the Arts and Tourism and International Affairs on S.B. No. 83

The purpose and intent of this measure is to address the costs incurred by the University of Hawaii intercollegiate athletics program.

More specifically, this measure:

- (1) Appropriates moneys from the tourism special fund for fiscal year 2016-2017 for travel expenses and subsidies incurred by the University of Hawaii intercollegiate athletics program; and
- (2) Requires the Governor to determine whether the funding of the travel expenses and subsidies of the University of Hawaii intercollegiate athletics program from the tourism special fund should be extended beyond fiscal year 2016-2017, and if so, requires the Governor to take appropriate action to implement the funding.

Your Committees received testimony in support of this measure from the University of Hawaii System; Grove Farm Company; Straub Clinic and Hospital; Chevron; KAI Hawaii, Inc.; The Maritime Group; and twenty-eight individuals.

Your Committees received testimony in opposition to this measure from Hawaii Tourism Authority, HTA Board of Directors, King Kamehameha Celebration Commission, Spike and Serve, Visitor Aloha Society of Hawaii Island, and one individual.

Your Committees find that creative and sustainable approaches must be developed to address the unique fiscal challenges the University of Hawaii System faces as a result of travel costs and subsidies for mainland teams. Aligned with section 201B-7(a)(4), Hawaii Revised Statutes, that specifies "promotion, development, and coordination of sports-related activities and events" as a tourism-related activity, support for University of Hawaii team travel out of State and abroad and bringing mainland teams to Hawaii could be a highly effective opportunity to market the State in an authentic way. Your Committees made it clear in their discussions during the hearing that resources for athletics need not come at the expense of nonprofit grants or county support, and other options that would not impact existing marketing efforts, as discussed in the hearing, should first be considered. Your Committees also find that while it is appropriate to expend moneys from the tourism special fund for travel expenses and travel subsidies incurred by the University of Hawaii for intercollegiate athletics, the Governor should determine whether or not to continue such funding beyond fiscal year 2016-2017.

Your Committees note their intention that the funding provided in the measure be used for all athletic programs within the entire University of Hawaii system, including athletic programs of the University of Hawaii at Hilo.

As affirmed by the records of votes of the members of your Committees on Ways and Means, Higher Education and the Arts, 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. 83, S.D. 1, and recommend that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by the Chairs and Senate President on behalf of the Committees.
Ways and Means: Ayes, 8; Ayes with Reservations (Chun Oakland, Slom). Noes, none. Excused, 3 (Dela Cruz, Galuteria, Harimoto).
Higher Education and the Arts: Ayes, 4; Ayes with Reservations (Kahele, Slom). Noes, none. Excused, 1 (Kidani).
Tourism and International Affairs: Ayes, 4; Ayes with Reservations (Kahele, Slom). Noes, none. Excused, 3 (Galuteria, Green, Kim).

SCRep. 2736 (Majority) Ways and Means on S.B. No. 2805

The purpose and intent of this measure is to provide fairness among wireless customers.

More specifically, this measure imposes a prepaid wireless E911 surcharge of \$.66 per retail transaction of prepaid wireless telecommunications service, the net proceeds of which are deposited in the enhanced 911 fund.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, Department of Commerce and Consumer Affairs, State of Hawaii Enhanced 911 Board, County of Hawaii Fire Department, County of Maui Fire Department, County of Kauai Fire Department, City and County of Honolulu Fire Department, Honolulu Police Department, Oceanic Time Warner Cable, and three individuals.

Your Committee finds that the enhanced 911 fund is used to sustain the Public Safety Answering Points System, which transmits, receives, and dispatches emergency calls. Your Committee also finds that currently, prepaid wireless customers are exempt from paying the \$.66 surcharge to the enhanced 911 fund, although they have the same access as other wireless customers to the 911 system. Accordingly, your Committee finds that this measure provides for a fair and equitable contribution to the 911 system by all wireless customers.

As affirmed by the record of votes of the members 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. 2805, 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 (Galuteria).

SCRep. 2737 Ways and Means on S.B. No. 2639

The purpose and intent of this measure is to automatically extend the deadline for the Department of Land and Natural Resources to render a decision on a conservation district use permit application by ninety days beyond the time necessary to complete any required environmental impact statement and any requested contested case hearing.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, The Chamber of Commerce Hawaii, Hawaii Leeward Planning Conference, Hawaii Island Economic Development Board, Kona-Kohala Chamber of Commerce, and one individual.

Your Committee finds that current law requires the Board of Land and Natural Resources to make a final decision on a conservation district use permit application within one hundred eighty days of acceptance of the completed application. However, this deadline may be extended at the request of the applicant if an environmental impact statement is required or if a contested case hearing is requested. Your Committee finds that automatically extending the time for a final decision when an environmental impact statement is required or if a contested case hearing is requested will help to ensure that the board has adequate time to render a decision on a conservation district use permit application.

As affirmed by the record of votes of the members 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. 2639 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2738 Ways and Means on S.B. No. 2624

The purpose and intent of this measure is to create a state income tax credit for public and private school teachers, librarians, and counselors of any grade between prekindergarten and the twelfth grade who incur or pay expenses related to the classroom or to educational trips.

Your Committee received written comments in support of this measure from the Hawaii State Teachers Association and IMUA Alliance.

Your Committee received written comments in opposition to this measure from the Department of Education, Department of Taxation, and the Tax Foundation of Hawaii.

Your Committee finds that this measure will help to offset the cost of school supplies personally purchased by the teachers themselves for their students.

Your Committee has amended this measure by:

- (1) Specifying the maximum amount of the tax credit as \$250 per taxable year;
- (2) Clarifying that no deduction may be claimed for the certain expenses that are used to claim the tax credit established in this measure; and
- (3) Deferring the effective date to taxable years beginning after December 31, 2017.

Your Committee notes, however, that the effective date should be moved up if the Department of Taxation can implement the tax credit from an earlier date.

As affirmed by the record of votes of the members 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. 2624, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2624, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2739 Ways and Means on S.B. No. 2645

The purpose and intent of this measure is to require the Commission on Water Resource Management to establish and implement a program to conduct standardized water audits of public water systems, and to appropriate \$350,000 in general funds for this purpose.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, the Board of Water Supply of the City and County of Honolulu, Hawaii Community Foundation, and one individual.

Your Committee received written comments on this measure from the Department of Agriculture.

Your Committee finds that the efficient use of the State's limited water resources is of paramount importance to the continued growth and security of our State. Audits can provide valuable information to help utilities manage their operational and financial resources in a more effective manner.

Your Committee notes that the Department of Land and Natural Resources indicated that the Commission on Water Resource Management, which is placed within the department, may require closer to \$650,000 to carry out the utility training that would be required under a water audit program.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$350,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, 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. 2645, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2645, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2740 Ways and Means on S.B. No. 3037

The purpose and intent of this measure is to require the Department of Land and Natural Resources to implement a management plan developed by the Hawaiian Islands Land Trust for the Lipoa Point area on the island of Maui.

Your Committee received written comments in support of this measure from the Hawaiian Islands Land Trust, Save Honolulu Coalition, and four individuals.

Your Committee received written comments in opposition to this measure from the Department of Land and Natural Resources.

Your Committee received written comments on this measure from two individuals.

Your Committee finds that the Department of Land and Natural Resources acquired property identified as Tax Map Key No. (2) 4-1-001:010 from Maui Land and Pineapple Company, Inc., on the island of Maui pursuant to Act 241, Session Laws of Hawaii 2013. The parcel comprises two hundred forty-four acres of highly adulterated and former agricultural land that was extensively used for the propagation of pineapple. In 2015, the Hawaiian Island Land Trust commissioned the creation of a management plan for the parcel and requested that the Department of Land and Natural Resources give serious consideration to implementing the plan.

Your Committee further finds that the written comments submitted by the Department of Land and Natural Resources indicate that the department has expended approximately \$30,066 managing the parcel to date, including expenditures for staff time, signage, and to contract for hazard tree trimming. The department further indicated that future funding needs for managing the parcel include \$300,000 annually to contract for various property maintenance services; \$323,052 annually for three conservation and resources enforcement officer positions; \$400,000 for a master plan; and \$200,000 for an environmental impact statement.

Your Committee has amended this measure by:

- (1) Adding an appropriation section that appropriates an unspecified sum to the Department of Land and Natural Resources to implement a management plan for Lipoa Point; 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. 3037, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3037, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2741 Ways and Means on S.B. No. 2563

The purpose and intent of this measure is to provide eligibility and preferences for the Hawaii Public Housing Authority (authority) and its beneficiaries to receive funds and leases from the Hawaii Housing Finance and Development Corporation (corporation).

Specifically, this measure:

- (1) Adds the authority as an entity to whom the corporation may also lease land for ninety-nine years at \$1 per year per parcel;
- (2) Adds the authority as an entity that is an eligible applicant for the corporation's funds;
- (3) Places grants for projects or units in projects of the authority at the top of the priority list for rental housing projects that may receive loans or grants from moneys in the corporation's rental housing revolving fund;
- (4) Removes attached single-family units, townhouses, and the miscellaneous category of units from the preference list for projects that are eligible for assistance from the rental housing revolving fund;
- (5) Places projects that serve families and individuals transitioning from homeless shelters at the top of the priority list for allocations from the rental housing revolving fund;
- (6) Requires the corporation to give preference to a project of the authority if that project is equally ranked with another project for fund allocation; and
- (7) Specifies that the preference criteria that requires the corporation to select a nonprofit project over an equally ranked for-profit or government project for fund allocation does not apply to a project of the authority.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority.

Your Committee received written comments in opposition to this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee received written comments on this measure from one individual.

Your Committee finds that this measure will assist the Hawaii Public Housing Authority with its current projects, which are anticipated to substantially increase the number of affordable housing units.

Your Committee notes that as this measure crosses over to the next body of the Legislature, consideration should be given to the treatment of higher density projects that maximize space and increase the number of dwelling units.

Your Committee has amended this measure by adopting the proposed S.D. 1 of the Hawaii Housing Finance and Development Corporation, which amends the measure by:

- (1) Removing projects or units in projects of the Hawaii Public Housing Authority from the top of the proposed priority list for rental housing projects that may receive loans or grants from the rental housing revolving fund and instead adding the authority's projects and units to the group of projects that are currently at the top of the existing priority list;
- (2) Clarifying that the authority is an eligible applicant for the corporation's funds, to the extent authorized by law;
- (3) Adding semi-attached and side-by-side single-family housing units to the preference list for projects that are eligible for assistance from the rental housing revolving fund and restoring the miscellaneous category of units to that list;
- (4) Clarifying that the projects at the top of the priority list for allocations from the rental housing revolving fund are those that are committed to serving families and individuals transitioning from homeless shelters;
- (5) Removing the provision that would have exempted the authority's projects from the corporation's preference requirement when choosing between equally ranked nonprofit, for-profit, and government housing projects for allocations from the rental housing revolving fund;
- (6) Making conforming amendments to the preamble; and
- (7) 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. 2563, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2563, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2742 Ways and Means on S.B. No. 2137

The purpose and intent of this measure is to appropriate \$500,000 in general funds to the Department of Agriculture to support existing on-farm mentoring programs and for a pilot on-farm mentoring program in the County of Maui to provide mentoring on a whole farm system approach to agriculture.

Your Committee received written comments on this measure from the Department of Agriculture.

Your Committee finds that the whole farm system emphasizes soil health, water economy, and limited damage from pests and weeds. Your Committee believes that the promotion of a whole farm system approach to agriculture can improve Hawaii's food security and local economy by reducing production costs and promoting locally sourced inputs.

Your Committee finds that this measure will improve the capacity of new and existing farms to succeed in their endeavors.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$500,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on 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. 2137, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2137, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2743 Ways and Means on S.B. No. 2302

The purpose and intent of this measure is to establish a Dark Skies Protection Advisory Committee to assist the Department of Business, Economic Development, and Tourism in developing a dark skies protection strategy.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; University of Hawaii system; Department of Land and Natural Resources; and one individual.

Your Committee finds that light pollution is caused by inappropriate uses of exterior lighting at night, including over-illumination, excessive use of artificial light, use of fixtures that direct light upward, causing glare and sky glow, and use of fixtures that have excessive amounts of blue light, which is scattered by the atmosphere to cause sky glow. Your Committee also finds that light pollution interferes with dark night sky activities and the nighttime activities of certain animal and insect species. Your Committee further finds that nighttime illumination of state airports, harbors, highways, and other facilities is costly and consumes large amounts of energy. Your Committee believes that application of new lighting technologies could produce substantial energy and cost savings. Your Committee therefore finds that this measure is an important step toward better protection of Hawaii's dark night skies, the environment, and state fiscal resources.

Your Committee has amended this measure by inserting a repeal date of June 30, 2021.

As affirmed by the record of votes of the members 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. 2302, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2302, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2744 Ways and Means on S.B. No. 2582

The purpose and intent of this measure is to provide funds to the Kahoolawe Island Reserve Commission to effectively meet the unique challenges of restoring, preserving, and determining the appropriate uses of the Kahoolawe Island Reserve for the people of Hawaii.

Specifically, this measure:

- (1) Requires the Kahoolawe Island Reserve Commission to submit a financial self-sufficiency and sustainability plan to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017; and
- (2) Makes a general fund appropriation of \$600,000 for the projects undertaken by the Kahoolawe Island Reserve Commission.

Your Committee received written comments in support of this measure from the Aha Moku Advisory Committee, County of Maui Department of Planning, Kahoolawe Island Reserve Commission, Conservation Council for Hawaii, and twenty individuals.

Your Committee received written comments in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee received written comments on this measure from one individual.

Your Committee finds that, during the past ten years, the Kahoolawe Island Reserve Commission has been able to develop innovative restoration projects that are effective in the harsh conditions of Kahoolawe and will serve as the foundation for the future restoration of the Kahoolawe Island Reserve. Your Committee further finds that the Kahoolawe rehabilitation trust fund will be depleted this year and that the Commission lacks a comprehensive and quantifiable restoration plan with performance measures to gauge whether objectives are being met. Accordingly, your Committee finds that this measure will help the Kahoolawe Island Reserve Commission continue its innovative management regime.

Your Committee has amended this measure by changing the:

- (1) Appropriation amount from \$600,000 to an unspecified sum; and
- (2) Effective date to July 1, 2076, 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. 2582, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2582, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2745 Ways and Means on S.B. No. 2330

The purpose and intent of this measure is to extend the hospital sustainability program for another year until December 31, 2017, and to appropriate funds out of the hospital sustainability program special fund for fiscal year 2016-2017.

This measure also amends the disbursements of revenues from the hospital sustainability fee.

Your Committee received written comments in support of this measure from the Department of Human Services, Healthcare Association of Hawaii, Hawaii Primary Care Association, Hawaii Pacific Health, and The Queen's Health Systems.

Your Committee received written comments on this measure from the Department of the Attorney General.

Your Committee finds that in recognition that Medicaid payments to hospitals were far below the actual costs of care, the Legislature enacted Act 217, Session Laws of Hawaii 2012, which created the hospital sustainability program, which improves Medicaid payments to hospitals. The program achieves this increase by assessing a fee on hospitals based on their patient revenue. The funds generated by those fees are then used to obtain additional federal Medicaid funds, which are deposited in the hospital sustainability program special fund and distributed back to private hospitals. Payment back to facilities is based upon the amount of a hospital's uncompensated care, which includes the costs incurred by hospitals serving underinsured and uninsured patients. Importantly, no state funds are contributed to the hospital sustainability program. Because of this program, Medicaid payments are now closer to the actual costs of care, thereby reducing losses and improving the financial stability of hospital systems. The program has made it possible for hospitals to cover eighty-six per cent of their costs related to Medicaid patients, up from seventy-five per cent without the program. It is clear that the hospital sustainability program helps to ensure that Medicaid patients will maintain access to needed hospital care.

Your Committee has amended this measure by:

- (1) Changing to an unspecified number of business days the time period in which payments by Medicaid managed care health plans must be made after the receipt of monthly capitation rates from the Department of Human Services; and
- (2) Making numerous technical amendments suggested by the Department of Human Services and Healthcare Association of 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 is in accord with the intent and purpose of S.B. No. 2330, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2330, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2746 Ways and Means on S.B. No. 2976

The purpose and intent of this measure is to transfer the licensing of private trade, vocational, and technical schools from the Department of Education to the Department of Commerce and Consumer Affairs.

Your Committee received written comments in support of this measure from the Department of Education and the Office of the Auditor.

Your Committee received written comments in opposition to this measure from the Department of Commerce and Consumer Affairs, Pacific Center for Awareness and Bodywork, and Med-Assist School of Hawaii.

Your Committee finds that the Department of Education's administration of licensing programs for private trade, vocational, and technical schools consumes valuable resources and time that should be solely focused on providing direct services and support for public schools, educators, and students. Your Committee further finds that the focus on regulatory functions is misaligned with the department's primary mission regarding K-12 education.

Your Committee has amended this measure by:

- (1) Amending the definition of "license" in section 302A-101, Hawaii Revised Statutes, to remove cross references to the sections of chapter 302A that are being repealed by this measure;
- (2) Repealing the definition of "private trade, vocational, or technical school" in section 302A-101.; 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. 2976, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2976, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (English, Galuteria, Taniguchi, Wakai).

SCRep. 2747 Ways and Means on S.B. No. 2693

The purpose and intent of this measure is to address the collection of general excise and transient accommodations taxes.

Specifically, this measure allows transient accommodations brokers to register as tax collection agents to collect and remit general excise and transient accommodations taxes on behalf of operators and plan managers using their services.

Your Committee received written comments in support of this measure from Airbnb, Inc., and Rental by Owner Awareness Association.

Your Committee received written comments in opposition to this measure from the Planning Department of the County of Kauai, Kailua Neighborhood Board, and four individuals.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that, under certain circumstances, a private person is allowed to act as a tax collection agent. For example, section 237-9, Hawaii Revised Statutes, allows a person engaged in network marketing, multi-level marketing, or other similar business to enter into an agreement with the Department of Taxation to act as a tax collection agent on behalf of its direct sellers. Your Committee also finds that similarly allowing a transient accommodations broker to act as a tax collection agent on behalf of providers of transient accommodations that utilize their services may facilitate the collection of transient accommodations taxes and general excise taxes.

Your Committee has amended this measure by:

- (1) Clarifying the causes upon which an application for registration as a transient accommodations broker tax collection agent could be denied;
- (2) Expanding the Department of Taxation's authority to cancel a transient accommodations broker tax collection agent's registration;
- (3) Providing that a transient accommodations broker tax collection agent's registration is not transferable under any circumstances; and
- (4) Specifying that the measure shall apply to taxable years beginning after December 31, 2016.

Your Committee recognizes that the transient vacation rental unit issue is controversial in many communities. Your Committee realizes that this measure provides some anonymity to transient vacation rental operators. Thus, your Committee requests future tax collection agents and the Department of Taxation to guard against permitting illegal rental units to operate.

As affirmed by the record of votes of the members 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. 2693, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2693, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Riviere). Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2748 Ways and Means on S.B. No. 3092

The purpose and intent of this measure is to improve the procurement process for public works construction projects.

More specifically, the measure:

- (1) Authorizes procurement officers to consider a previously licensed and listed subcontractor's license as valid if the license at bid time was suspended or forfeited due solely to a ministerial act, as defined by the measure, and the license is restored prior to the contract award; and
- (2) Requires subcontractors to submit a time-stamped offer to a contractor two hours before the established bid deadline.

Your Committee received written comments in support of this measure from the General Contractors Association of Hawaii, Ralph S. Inouye Co., Ltd., and Genba Hawaii, Inc.

Your Committee received written comments in opposition to this measure from the Department of Transportation, State Procurement Office, Board of Water Supply of the City and County of Honolulu, Central Purchasing Agent of the County of Maui, Plumbing and Mechanical Contractors Association of Hawaii, and Sheet Metal Contractors Association.

The Subcontractors Association of Hawaii submitted comments on the measure.

Your Committee finds that the large number of licenses available to subcontractors have made it difficult for general contractors to verify the validity of licenses for the performance of specific types of work. In a general contractor's bid for a public works construction project, the inclusion of a subcontractor having an invalid license can lead to a challenge or invalidation of the bid, even if the subcontractor's license was previously valid, and will subsequently become valid again. Your Committee further finds that, under certain limited conditions, a procurement officer should consider a subcontractor's license that has been suspended or forfeited as valid for purposes of inclusion in a general contractor's bid.

Your Committee has amended this measure by:

- (1) Deleting the requirement that a subcontractor shall submit a time-stamped offer to a contractor two hours before the bid deadline; and
- (2) Providing that a bidding contractor shall provide the name of each joint contractor or subcontractor and the nature or scope of that entity's work no later than two hours after the closing of bidding.

As affirmed by the record of votes of the members 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. 3092, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3092, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2749 (Majority) Ways and Means on S.B. No. 2231

The purpose and intent of this measure is to establish the R.E.A.C.H. (resources for enrichment, athletics, culture, and health) program in the Office of Youth Services to provide a framework and funding for after-school programs in public middle and intermediate schools.

Your Committee received written comments in support of this measure from the Office of the Lieutenant Governor, Department of Education, Office of Hawaiian Affairs, State Public Charter School Commission, Office of Youth Services, Hawaii Afterschool Alliance, Hawaii Public Charter Schools Network, Jarrett Middle School, Hawaii Medical Service Association, Hawaii Youth Services Network, Kalakaua Middle School, Waipahu Intermediate School, President George Washington Middle School, Waiialua High and Intermediate School, Family Programs Hawaii, Pioneering Healthier Communities, Honolulu, and five individuals.

Your Committee finds that the middle school years are a turning point in the lives of many adolescents and it is when disengagement from school and community often begins. Once adolescents disengage from their school or community, they are more likely to engage in poor decision making. Juvenile violence rates are highest in the after-school hours on school days and in the evenings on non-school days. Providing adolescents the opportunity to be engaged in after-school programs keeps them involved in their schools and communities, and less likely to commit crimes.

Your Committee also finds that in 2013, the Lieutenant Governor's office established the R.E.A.C.H. initiative to develop a framework and funding base for after-school programs for public middle and intermediate school students. While the initiative has been widely successful in engaging students in this critical age group with nineteen schools in the State having received initiative funding, your Committee believes that stability in funding and continued expansion to more schools can be achieved by codifying the program in statute.

As affirmed by the record of votes of the members 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. 2231 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2750 Ways and Means on S.B. No. 2780

The purpose and intent of this measure is to strengthen the public charter schools law.

Specifically, the measure:

- (1) Prohibits the State Public Charter School Commission from providing technical support to prospective charter schools regarding charter applications to the same extent that the Commission is prohibited from providing such support to existing charter schools in its oversight role;
- (2) Specifies the contents of the written minutes of public meetings and adjusting their availability dates;
- (3) Provides that a nonprofit organization that seeks to manage and operate a conversion charter school shall have the same protections that are afforded to all other governing boards;
- (4) Specifies that an authorizer's revocation and nonrenewal processes shall not be subject to the Administrative Procedure Act (chapter 91, Hawaii Revised Statutes);
- (5) Authorizes charter schools to assess and collect special fees and charges from students for co-curricular activities;
- (6) Subjects a conversion charter school to the same requirements as a start-up charter school for enrolling students to fill leftover seats; and
- (7) Exempts from the open meetings law (chapter 92, Hawaii Revised Statutes) certain adjudicatory functions exercised by the State Public Charter School Commission with regard to matters on which the Commission already made a decision in a public meeting.

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 the Board of Education, the Hawaii Educational Policy Center, and Connections PCS.

Your Committee received written comments on this measure from the Office of Information Practices and the Hawaii Public Charter Schools Network.

Your Committee finds that this measure makes important refinements to the statutory framework regarding Hawaii's public charter school governance and administration that are aligned with recent changes that have been made.

As affirmed by the record of votes of the members 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. 2780, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2751 Ways and Means on S.B. No. 2800

The purpose and intent of this measure is to establish an agribusiness development corporation grant program.

Your Committee received written comments in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, Hawaii Farm Bureau, and the Land Use Research Foundation of Hawaii.

Your Committee finds that Hawaii farmers and ranchers are having difficulty securing the financial support necessary to make critical agriculture-related improvements. Your Committee further finds that establishing a grant program may result in increased capacity, new business opportunities, and increased employment opportunities. Your Committee further finds that such growth in the State's agricultural sector will contribute to achieving the State's goals of self-sufficiency and sustainability.

As affirmed by the record of votes of the members 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. 2800, 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 (Taniguchi).

SCRep. 2752 Judiciary and Labor on S.B. No. 2896

The purpose and intent of this measure is require the Hawaii Labor Relations Board to:

- (1) Serve complaints or require complainants to serve complaints by first class mail or electronic mail; and
- (2) Provide written notice of a hearing by first class mail or electronic service through a company designated by the Board at least fifteen days before the scheduled date of the hearing.

Your Committee received testimony in support of this measure from the Hawaii Labor Relations Board.

Your Committee finds that under existing law, the Hawaii Labor Relations Board may serve complaints and notices of hearings on a party by delivery to the person, mail, or telegram. However, the electronic service of complaints and notices is a faster and less expensive method of service. Implementation of this measure will reduce costs and provide a more efficient process to accommodate all parties.

As this measure moves through the legislative process, your Committee requests that consideration be given to the establishment of standards for the use of electronic means to serve complaints and provide hearing notices as proposed by 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 S.B. No. 2896, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Thielen, Slom). Noes, none. Excused, 1 (Kim).

SCRep. 2753 Judiciary and Labor on S.B. No. 2857

The purpose and intent of this measure is to amend section 290-11, Hawaii Revised Statutes (HRS), relating to the towing of unattended vehicles to:

- (1) Add the definitions of "hooked up", "scene", and "vehicle owner";
- (2) Clarify that if a vehicle is in the process of being hooked up and the vehicle owner appears on the scene, the towing company is required to release the vehicle at a location that ensures safety to all persons and property involved without a fee charged to the vehicle owner;
- (3) Establish that violations of the unattended vehicle towing law are violations of the law relating to unfair methods of competition, deceptive acts, or practices; and
- (4) Make various conforming amendments.

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 received testimony in opposition to this measure from Ace Towing Service, Inc.; Waialae Towing Service; and Kuni's Enterprises, Inc.

Your Committee finds this measure seeks to address problems that people experience when they come onto the scene of a tow and request that their vehicle be "dropped" and difficulties involving the right to retrieve borrowed or rented vehicles from tow yards. Your Committee notes that as this measure continues to move through the legislative process, further consideration should be given as to whether a towing company should be entitled to part of the costs for work already performed in hooking up a vehicle and releasing the vehicle at a safe location, if applicable.

Your Committee has amended this measure by:

- (1) Under the definition of "scene", inserting an unspecified number of feet of radius around the location, which will comprise the scene;
- (2) Making a conforming amendment to section 291C-165.5(b), HRS, to reflect the amendments made to section 290-11, 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 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. 2857, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2857, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Kim).

SCRep. 2754 Judiciary and Labor on S.B. No. 2956

The purpose and intent of this measure is to require firearm owners who have been disqualified from owning a firearm due to mental illness to immediately surrender their firearms and to authorize the chief of police to seize the firearms if the owner fails to comply.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Office of the Prosecuting Attorney, County of Hawai'i; Police Department, City and County of Honolulu; BradyHawaii; and five individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association and fourteen individuals. Your Committee received comments on this measure from West Oahu Vet Center and forty-two individuals.

Your Committee finds that currently, county police officers are prohibited, even in the most volatile situations, from seizing a firearm from an owner who is suffering from mental illness and is disqualified from ownership, possession, or control of firearms or ammunition. Before a firearm can be seized from such an owner, the owner must be notified of the requirement to surrender the firearm via registered mail, at which point the owner has thirty days to voluntarily surrender or transfer the firearm. The potential for harm to the owner or the public during that window of time presents an unnecessary risk. Implementation of this measure will increase public safety by requiring firearm owners who have been disqualified from owning a firearm due to mental illness and who underwent an involuntary hospitalization to immediately surrender their firearms and authorizing the chief of police to take possession of the firearms if the owner fails to comply.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that the requirement to surrender firearms applies to firearm owners who have been disqualified from owning a firearm due to involuntary hospitalization under section 334-59, Hawaii Revised Statutes, rather than emergency hospitalization;
- (2) Clarifying that if a firearm owner has been disqualified from owning a firearm due to mental illness and involuntary hospitalization but who fails to immediately surrender or dispose of all firearms and ammunition upon receiving written notification from the chief of police, the chief of police may take possession of all firearms and ammunition;

- (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.

Your Committee notes that there is existing language pertaining to due process procedures, including the recovery of firearms, in the mental health and firearm chapters of the Hawaii Revised Statutes.

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. 2956, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2956, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Slom). Noes, none. Excused, 3 (Gabbard, Kahele, Kim).

SCRep. 2755 (Majority) Judiciary and Labor on S.B. No. 2315

The purpose and intent of this measure is to exempt from jury duty mothers who breastfeed or express breast milk; provided that this exemption shall end when a mother is no longer breastfeeding or expressing breast milk.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Hawaii State Commission on the Status of Women, Hawaii State Coalition Against Domestic Violence, American Association of University Women of Hawaii, Hawaii Women's Coalition, Healthy Mothers Healthy Babies Coalition of Hawaii, Hawai'i Women Lawyers, Breastfeeding Hawaii, and one individual. Your Committee received comments on this measure from the Judiciary.

Your Committee finds that breastfeeding has been shown to be beneficial for mothers and their infants. However, for many mothers, breastfeeding can be difficult to begin and hard to maintain. Multiple barriers also exist for women who wish to continue breastfeeding. Your Committee further finds that jury duty can be burdensome to breastfeeding mothers, as mother-child separation creates a serious challenge to continued breastfeeding. Women who serve on a jury may also lack access to a clean, private space to express breast milk. Your Committee additionally finds that supportive policies can help women continue breastfeeding. The jury duty exemption for breastfeeding mothers, as proposed by this measure, is one such policy that can support and benefit breastfeeding mothers and their children.

Your Committee notes the comments in testimony submitted by the Judiciary that, upon request, breastfeeding mothers may be exempt from jury duty for one calendar year and the Judiciary ensures that private, designated spaces and times are provided for breastfeeding mothers. However, this provision for breastfeeding mothers is not widely known or communicated. Your Committee further notes that the Judiciary is in the process of reviewing information on the Judiciary's website and written information mailed to potential jurors in order to revise information and forms, as appropriate, to clearly communicate information to breastfeeding mothers.

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. 2315, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2315, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Thielen). Excused, 1 (Kim).

SCRep. 2756 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2321

The purpose and intent of this measure is to:

- (1) Require any state or county agency who employs personnel whose job duties require or may require intervention in a domestic violence situation to provide such employees with a minimum of eight hours of domestic violence intervention training; and
- (2) Appropriate funds to the Department of Public Safety to provide domestic violence intervention training.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women, American Association of University Women of Hawaii, Hawaii State Coalition Against Domestic Violence, Women's Caucus of the Democratic Party of Hawai'i, Hawaii Women's Coalition, Parents And Children Together, Planned Parenthood Votes Northwest and Hawaii, and one individual.

Your Committees find that domestic violence is a serious social issue in Hawaii. State and county employees, including law enforcement officers, emergency medical services personnel, firefighters, and judges, can encounter domestic violence situations in the course of their duties. Domestic violence situations are often complex, sensitive, and difficult to handle effectively. This measure provides to state and county employees who may encounter domestic violence situations in the course of carrying out their regular duties, training on how to properly intervene in such situations.

Your Committees note the comments made by the Department of Public Safety that the Department's law enforcement officers are required to complete domestic violence intervention training pursuant to department policies.

Accordingly, your Committees have amended this measure by:

- (1) Changing the expending agency from the Department of Public Safety to the Hawaii State Commission on the Status of Women;
- (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. 2321, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2321, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Taniguchi).

SCRep. 2757 (Joint) Judiciary and Labor and Ways and Means on S.B. No. 2755

The purpose and intent of this measure is to establish the Law Enforcement Employment Standards and Training Board responsible for developing statewide standards for employment and training for certain county and state law enforcement officers.

Your Committees received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Kaua'i; Hawaii State Coalition Against Domestic Violence; IMUAlliance; and eight individuals. Your Committees received testimony in opposition to this measure from five individuals.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed S.D. 1, which amends this measure to:

- (1) Change the name of the board to the Advisory Law Enforcement Employment Standards and Training Board, tasked with making proposed standards and training recommendations;
- (2) Amend the composition of the advisory board by authorizing the Governor to invite the Chiefs of Police of the four counties or their designees to be voting members of the advisory board, rather than requiring them to be members;
- (3) Establish that the terms of the advisory board members end on June 30, 2021, rather than designate four-year terms and term limits;
- (4) Allow government agencies to voluntarily implement the employment standards and training recommendations, rather than require each government agency to train its staff to meet the necessary employment standards and training requirements;
- (5) Delete language that establishes a law enforcement employment standards and training board special fund and the appropriation into and from the special fund;
- (6) Establish that no person shall have a cause of action against a government agency for not implementing any employment standard or training recommendation of the advisory board;
- (7) Require the advisory board to terminate on June 30, 2021; and
- (8) Appropriate funds to the Department of the Attorney General for the operation of the Advisory Law Enforcement Employment Standards and Training Board.

Your Committees received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources, Department of Transportation, Department of Public Safety, and American Civil Liberties Union of Hawai'i. Your Committees received testimony in opposition to the proposed S.D. 1 from the Police Department, City and County of Honolulu and seven individuals. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that Hawaii is the only state in the nation without a statewide law enforcement board for employment standards or training. Given the considerable power and authority given by the State and counties to police, sheriffs, and other law enforcement officers, it is important to establish statewide standards for these officers. This proposed S.D. 1 provides standards that would provide a common core of knowledge and training for state and county law enforcement officers who wear badges and carry firearms.

Your Committees note the concerns raised in testimony submitted by the Department of Transportation regarding applying the standards to employees of a government agency's vendor or contractor who are permitted to wear a badge and carry a firearm. The Department indicated that the standards and training requirements may place a hardship on the recruitment process and qualification requirements of private law enforcement officers.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the proposed S.D. 1 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 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. 2755, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2755, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kim).

Ways and Means: Ayes, 8. Noes, none. Excused, 3 (English, Galuteria, Taniguchi).

SCRep. 2758 (Joint/Majority) Judiciary and Labor and Ways and Means on S.B. No. 2083

The purpose and intent of this measure is to prohibit smoking in a motor vehicle when a minor is present.

Your Committees received testimony in support of this measure from the Department of Health; Office of the Prosecuting Attorney, County of Kaua'i; Student Health Advisory Council; Global Advisors on Smokefree Policy; Coalition for a Tobacco-Free Hawai'i; Hawai'i Public Health Association; and forty-six individuals.

Your Committees find that secondhand smoke is a dangerous class A carcinogen in the same class as asbestos and benzene. Secondhand smoke typically contains at least seven thousand identifiable chemicals, around seventy of which are known or probable carcinogens. The Fiftieth Anniversary United States Surgeon General Report, released on January 17, 2014, states that any level of exposure to secondhand smoke is dangerous and over two and a half million nonsmokers have died from health problems caused by secondhand smoke since 1964.

Your Committees further find that children generally breathe in more air than adults because their lungs are still developing. Children also have little or no control over their environments and cannot leave if secondhand smoke bothers them. As a result, children exposed to secondhand smoke run a greater risk of suffering from the damaging health effects. As of June 2015, over twenty jurisdictions within the United States, including California, Oregon, and the County of Hawaii, have enacted smoke-free vehicle laws to protect minors. This measure allows Hawaii to join these other jurisdictions to ensure that children are not subjected to the harmful effects of second-hand smoke.

Your Committees have amended this measure by:

- (1) Adding language that requires the Department of Health to submit a report to the Legislature, on the enforceability and data collection activities of the respective law enforcement agencies, prior to the convening of the Regular Session of 2017;
- (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. 2083, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2083, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Kim).

Ways and Means: Ayes, 9; Ayes with Reservations (Riviere). Noes, 1 (Slom). Excused, 1 (Taniguchi).

SCRep. 2759 (Joint/Majority) Judiciary and Labor and Ways and Means on S.B. No. 2961

The purpose and intent of this measure is to:

- (1) Establish a family leave insurance program that is funded through wage withholdings of employees each pay period and transmitted by the employer into a trust fund to be used to provide employees with family leave insurance benefits to care for a designated person;
- (2) Expand the reach of employees subject to the family leave law and provide a total of twelve weeks, rather than four weeks, of family leave to care for children and family members; and
- (3) Appropriate funds to the Department of Labor and Industrial Relations for the hiring of staff to administer the family leave trust fund.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Planned Parenthood Votes Northwest and Hawaii, Hawaii Family Caregiver Coalition, Policy Advisory Board for Elder Affairs, Family Programs Hawaii, Hawaii Women's Coalition, Women's Caucus of the Democratic Party of Hawai'i, Healthy Mothers Healthy Babies Coalition of Hawaii, Hawaii Children's Action Network, American Association of University Women of Hawaii, Hawai'i Public Health Institute, and twelve individuals. Your Committees received testimony in opposition to this measure from the Department of Budget and Finance; International Longshore Warehouse Union, Local 142; Society for Human Resource Management—Hawaii Chapter; NFIB; Hawaii Credit Union League; and Building Industry Association of Hawaii. Your Committees received comments on this measure from the Department of Labor and Industrial Relations.

Your Committees find that Hawaii's working families are not adequately supported during times of caregiving and illness. The majority of Hawaii's workforce cannot afford to take unpaid leave when needing to provide care to a newborn, bond with a new child, or care for a family member with a serious health condition. The federal Family Leave Act allows for unpaid leave with job protection for up to twelve weeks for employers with fifty or more employees; however, this leaves out forty percent of the workforce in the United States. The Hawaii Family Leave Act only applies to employers with one hundred or more employees and only allows for four weeks of unpaid leave with job protection. Only two percent of employers in the State are required to comply with the Hawaii Family Leave Act, thereby applying to only sixteen percent of the workforce.

Your Committees note the testimony submitted by the Hawaii Commission on the Status of Women indicating how paid family leave has been shown to benefit businesses in California, a state that has implemented paid family leave laws. Specifically, the paid family leave laws have resulted in reduced absenteeism, increased business revenue, retention of a better workforce, and reduction in turnover costs based on retention. Paid family leave also contributes to stronger employer-employee relations by building the bonds of trust and understanding during a time of work-life crisis or significant financial crossroads where most people in Hawaii now have to choose between losing wages or losing a job and taking care of an ill family member or tending to a newborn. This measure allows Hawaii to join other state jurisdictions with similar family leave laws and assists employees who must balance work and family commitments.

Your Committees further note the concerns raised in testimony submitted by the Department of Labor and Industrial Relations regarding the implementation, cost, coverage, and duplication of benefits that this measure may result in. The Department of Budget and Finance recommended an actuarial study be conducted before this measure is implemented.

Accordingly, your Committees have amended this measure by:

- (1) Requiring employers to notify the Department of Labor and Industrial Relations of all designations and changed designations of designated persons made by covered individuals;
- (2) Requiring the Department of Labor and Industrial Relations to adopt rules to implement the process for covered individuals to make and change designations of designated persons and notify the Department of these designations;
- (3) Clarifying the eligibility requirements for family leave insurance benefits;
- (4) Deleting language that would have allowed a self-employed person to receive family leave insurance benefits;
- (5) Adding language that prohibits the duplication of other specified benefits if an employee is receiving family leave insurance benefits;
- (6) Inserting a blank number of employees under the definition of "employer" in section 398-1, Hawaii Revised Statutes (HRS);
- (7) Amending section 398-4, HRS, to allow benefits provided pursuant to a temporary disability benefits plan that constitute excess sick leave to be used for the purposes of the Hawaii Family Leave Act;
- (8) Clarifying that nothing in the family leave laws shall prevent a biological mother receiving temporary disability benefits for recovery from childbirth from applying for and receiving paid family leave for the purpose of caregiving and bonding with her child after the period during which temporary disability insurance benefits are compensable;
- (9) Establishing that an employee shall not earn wages during the period in which the employee receives paid family leave;
- (10) Inserting a blank appropriation to the Department of Labor and Industrial Relations for the hiring of staff to administer the family leave trust fund;
- (11) Adding language that requires the Department of Labor and Industrial Relations to submit a report to the Legislature regarding the implementation of the family leave insurance program, including the feasibility of extending family leave insurance benefits to self-employed persons, prior to the Regular Session of 2017;
- (12) Adding language that requires the Department of Budget and Finance, in collaboration with the Hawaii Commission on the Status of Women, to perform an actuarial study on the economic impact and operational requirements of providing family leave insurance benefits and submit the study to the Legislature prior to the Regular Session of 2017;
- (13) Inserting an effective date for the family leave insurance program and its conforming amendments to chapter 398, HRS, of July 1, 2017;
- (14) Inserting an effective date of January 7, 2059, to encourage further discussion; and
- (15) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note that the Department of Labor and Industrial Relations requires an appropriation of \$300,000 for fiscal year 2016-2017 for the hiring of staff to administer the family leave trust fund.

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. 2961, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2961, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Kim).

Ways and Means: Ayes, 8; Ayes with Reservations (Riviere). Noes, 1 (Slom). Excused, 2 (English, Taniguchi).

SCRep. 2760 (Joint/Majority) Transportation and Energy and Ways and Means on S.B. No. 3076

The purpose and intent of this measure is to ensure the State has a unified vision and approach toward redevelopment of its properties.

More specifically, this measure:

- (1) Designates the Office of Planning as the lead agency to coordinate and advance transit-oriented development planning in the State;
- (2) Requires that all state agencies' development plans for parcels along the rail transit corridor on Oahu receive approval from the Office of Planning; and
- (3) Appropriates moneys for the Office of Planning to carry out the purposes of the measure.

Your Committees received written comments in support of this measure from the Department of Planning and Permitting of the City and County of Honolulu, Building Industry Association of Hawaii, and Land Use Research Foundation of Hawaii.

Your Committees received written comments on this measure from the Office of Planning and The Chamber of Commerce Hawaii.

Your Committees find that the State is the largest owner of land along the rail transit line being constructed by the City and County of Honolulu. With approximately two thousand acres along the rail line under the jurisdiction of various departments, the State must be proactive, make planning with a statewide policy perspective a priority, and ensure that there is a unified vision and approach toward redevelopment of its properties.

Your Committees have amended this measure by:

- (1) Deleting a requirement that no state executive agency shall begin design or construction or enter into development agreements for parcels along the rail transit corridor unless the Office of Planning approves the agency's plan; and
- (2) Changing the effective date to July 1, 2076, to facilitate further discussion on the measure.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3076, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 3076, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, 1 (Slom). Excused, 3 (English, Gabbard, Kidani).

Ways and Means: Ayes, 9. Noes, 1 (Slom). Excused, 1 (English).

SCRep. 2761 (Joint/Majority) Transportation and Energy and Ways and Means on S.B. No. 3077

The purpose and intent of this measure is to establish a transit-oriented development advisory group to develop, in collaboration with the Office of Planning, a unified action plan for the implementation of transit-oriented development on a statewide level.

Your Committees received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Human Services; State Office of Planning; Building Industry Association of Hawaii; and Land Use Research Foundation of Hawaii.

Your Committees received written comments on this measure from the Department of Planning and Permitting of the City and County of Honolulu and The Chamber of Commerce Hawaii.

Your Committees find that State participation is essential to developing mixed-use, mixed-income projects on state lands in close proximity to rail transit stations. The ad-hoc state transit-oriented development task force submitted a report to the Legislature in 2015 that recommended formally constituting the task force to promote effective and efficient transit-oriented development planning and coordination in the State. The State is able to provide land and funding to develop more affordable and workforce housing, provide required infrastructure to support development of state-owned parcels, and contribute to increasing the regional capacity of major infrastructure systems to accelerate development.

Your Committees have amended this measure by:

- (1) Deleting section 2 of the measure regarding establishment of a transit-oriented development advisory group to be convened and overseen by the Office of Planning and replacing it with section 2 of Senate Bill No. 2831, establishing the Hawaii Interagency Council for Transit-oriented Development within the Department of Business, Economic Development, and Tourism;
- (2) Adding an appropriation to implement this measure; and
- (3) Changing the effective date to July 1, 2076, to facilitate further discussion on the measure.

Your Committees note that establishing the Hawaii Interagency Council for Transit-oriented Development is expected to require an appropriation of \$30,000.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3077, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 3077, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 3. Noes, 1 (Slom). Excused, 3 (English, Gabbard, Kidani).

Ways and Means: Ayes, 9. Noes, 1 (Slom). Excused, 1 (English).

SCRep. 2762 (Majority) Ways and Means on S.B. No. 3000

The purpose and intent of this measure is to establish a retirement benefit incentive for public employees who are otherwise eligible to retire and whose positions are subject to layoff due to the consolidation or abolition of functions or the privatization of the functions of the position.

Specifically, the measure provides qualified public employees with an additional one-twelfth of one year of additional retirement credit, up to a maximum of three years, if the qualified public employee is separated from service due to a layoff caused by a consolidation or abolition of a government function or the privatization of the employee's position.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association, United Public Workers, Maui Memorial Medical Center, and nine individuals.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance.

Your Committee received written comments on this measure from the Employees' Retirement System.

Your Committee finds that this measure provides assistance to public employees who would otherwise face permanent, economic hardship through no fault of their own.

As affirmed by the record of votes of the members 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. 3000, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, 1 (Slom). Excused, 3 (English, Galuteria, Wakai).

SCRep. 2763 Ways and Means on S.B. No. 2077

The purpose and intent of this measure is to authorize the state executive branch and other jurisdictions to offer a voluntary severance benefit or a special retirement benefit to its employees who elect to separate from service when their positions are identified for abolishment or when they are directly affected by a reduction-in-force or workforce restructuring plan, including privatization.

Specifically, the measure establishes the following benefits for separated public employees:

- (1) A voluntary severance benefit of five per cent of the employee's base annual salary for each year of service, up to a maximum of ten years, provided that the amount is not more than fifty per cent of the employee's base annual salary; and
- (2) A special retirement benefit that allows the employee to receive an unreduced pension benefit if the employee meets certain age and length of service requirements.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association, United Public Workers, Maui Memorial Medical Center, and nine individuals.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance.

Your Committee received written comments on this measure from the Employees' Retirement System.

Your Committee finds that this measure addresses public employees at different life stages. Employees with only a few years of credited service with a public employer may opt for a voluntary severance payment. In comparison, employees who have more years of credited service but who are not eligible to retire may opt for the special retirement benefit. Your Committee believes that, without the assistance provided under this measure, certain public employees may face permanent, economic hardship through no fault of their own.

As affirmed by the record of votes of the members 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. 2077, 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 (English, Galuteria, Wakai).

SCRep. 2764 Ways and Means on S.B. No. 2313

The purpose and intent of this measure is to encourage equal pay for equal work.

Specifically, this measure:

- (1) Requires employers to provide equal pay to employees that perform substantially similar work;
- (2) Clarifies that a wage differential may be permissible where an employer demonstrates that the wage differential is based upon:
 - (A) A bona fide seniority system based upon a collective bargaining agreement, civil service requirement, or formal employer policy that treats employees who do substantially similar work equally;
 - (B) A bona fide nondiscriminatory merit system;
 - (C) Bona fide occupational qualifications that do not have a disparate impact based on sex and that are necessary to the position; or
 - (D) A bona fide factor other than sex that is not based on a sex-based differential in compensation, is job-related to the position, and is consistent with a legitimate business necessity; and
- (3) Prohibits employers from barring employees from disclosing their own wages or discussing and inquiring about the wages of other employees.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Hawaii State Commission on the Status of Women, Hawaii Civil Rights Commission, and Planned Parenthood Votes Northwest and Hawaii.

Your Committee finds that women in Hawaii are paid roughly eighty-six cents for every dollar paid to a man for substantially similar work, and at the current rate, the wage gap Hawaii will not close until the year 2058. Your Committee further finds that pay inequity is a contributing factor to the disproportionate number of women in poverty. Your Committee believes that this measure will help to accelerate the closure of the wage gap and increase pay for women.

Your Committee has amended this measure by adding provisions that prohibit a prospective employer from:

- (1) Screening a job applicant based on wage or salary history; and
- (2) Requesting the wage or salary history of a job applicant from any current or former employer of the job applicant.

As affirmed by the record of votes of the members 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. 2313, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2313, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 2765 Ways and Means on S.B. No. 2346

The purpose and intent of this measure is to strengthen the investment capabilities and societal responsibilities of the Employees' Retirement System.

The measure accomplishes these objectives by:

- (1) Increasing the types of investment personnel that the Board of Trustees of the Employees' Retirement System may appoint, and to exempt, or authorize the exemption, of all investment personnel from both civil service and collective bargaining laws;
- (2) Requiring the Employees' Retirement System to pay a spouse or former spouse of a member or retiree all or a portion of the member's or retiree's benefits pursuant to a Hawaii domestic relations order; and
- (3) Appropriating funds for a claims examiner position and for planning and expenditures necessary to implement this measure.

Your Committee received written comments on this measure from the Employees' Retirement System and the Hawaii Government Employees Association.

Your Committee finds that seventy to eighty per cent of member and retiree benefits are attributable to investment earnings, and that the Board of Trustees of the Employees' Retirement System relies heavily on internal and external investment experts for advice. The Employees' Retirement System believes that its current staffing structure will not meet its long term needs and will need to be augmented, given the complexity of the system's portfolios and the dynamics of modern financial markets. This measure will ensure that the Employees' Retirement System will be able to recruit and maintain a team of seasoned and experienced investment specialists.

Your Committee further finds that a spouse or former spouse of a member or retiree, who is authorized by a domestic relations order to receive payments from the member or retiree, must rely upon that member or retiree to send the payment. In some cases, the member or retiree does not send the full amount due, does not send the payment in a timely manner, or does not send it at all. This measure will ensure that the spouse or former spouse receives payments directly from the Employees' Retirement System and not from the member or retiree.

Your Committee has amended this measure by:

- (1) Changing the term "Hawaii domestic relations order" to "qualified domestic relations order;" 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 S.B. No. 2346, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2346, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2766 Ways and Means on S.B. No. 2100

The purpose and intent of this measure is to increase the number of District Court judges in the Second Judicial Circuit from three to four judges.

The measure also appropriates \$329,496 in general funds to cover the costs of the additional district court judge position and three full-time equivalent (3.0 FTE) positions.

Your Committee received written comments in support of this measure from the Judiciary and the Department of the Prosecuting Attorney of the County of Maui.

Your Committee finds that population growth and an increased caseload have made it necessary to increase the number of district court judges in the Second Judicial Circuit from three to four judges. The district court currently convenes only once per month in Hana and on Lanai, and only twice per month on Molokai, which is insufficient to handle the growing number of cases in these areas. The additional judge will help address the increased caseload in criminal and traffic filings, while permitting the courts to accommodate the needs of growing rural communities that are presently underserved.

Your Committee has amended this measure by deleting 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. 2100, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2100, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 2767 Ways and Means on S.B. No. 2652

The purpose and intent of this measure is to foster greater energy security for Hawaii.

Specifically, this measure:

- (1) Establishes a renewable fuels production tax credit; and
- (2) Repeals the existing ethanol facility tax credit.

Your Committee received written comments in support of this measure from the Department of Transportation, Hawaii Energy Policy Forum, Hawaii Gas, Hawaii Island Chamber of Commerce, Hawaii Renewable Energy Alliance, Pacific Biodiesel Technologies, Renewable Energy Action Coalition of Hawaii, Ulupono Initiative, and one individual.

Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism, Department of Taxation, Tax Foundation of Hawaii, and one individual.

Your Committee finds that Hawaii is 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 also finds that, as the most isolated populated land mass on Earth, Hawaii imports nearly ninety per cent of its energy and almost one hundred per cent of its transportation resources. Your Committee further finds that it is critical for Hawaii to ensure greater energy security by becoming more self-sufficient in its energy supply.

Your Committee has amended this measure by:

- (1) Changing the renewable fuels production tax credit from a refundable tax credit to a nonrefundable tax credit; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee notes that the Department of Taxation has raised concerns that certain provisions of the measure may be interpreted to violate the Commerce Clause of the United States Constitution. Should this measure be heard by other standing committees, your Committee respectfully requests that those committees consult with the Attorney General regarding these concerns.

Your Committee also notes that the Department of Business, Economic Development, and Tourism will require approximately \$100,000 and a 0.5 full-time equivalent position to administer the duties required under 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. 2652, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2652, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Taniguchi).

SCRep. 2768 Ways and Means on S.B. No. 2850

The purpose and intent of this measure is to clarify and enhance the Mortgage Loan Originators Law under chapter 454F, Hawaii Revised Statutes, and the Mortgage Servicers Law under chapter 454M, Hawaii Revised Statutes, which regulate related industries.

Specifically, this measure:

- (1) Adds statutory definitions, updates references to federal regulations, and makes other amendments to increase the clarity of and consistency between the Mortgage Loan Originators Law and the Mortgage Servicers Law; and
- (2) Repeals mortgage servicer provisions in the Mortgage Loan Originators Law, including the mortgage loan servicer loan modification license, in favor of related provisions in the Mortgage Servicers Law, as amended by this measure.

Your Committee received written comments in support of this measure from the Department of Commerce and Consumer Affairs, Division of Financial Institutions.

Your Committee finds that due to a degree of overlap between the mortgage loan origination industry governed by chapter 454F, Hawaii Revised Statutes, and the mortgage servicer industry governed by chapter 454M, Hawaii Revised Statutes, some companies conduct business under the requirements of both statutory chapters. Currently, a mortgage servicer wishing to offer loan modifications must be licensed as a mortgage servicer under chapter 454M, Hawaii Revised Statutes, and additionally hold a mortgage loan servicer loan modification license under chapter 454F, Hawaii Revised Statutes. This regulatory arrangement has created confusion among mortgage servicers.

To address this issue, the measure repeals the mortgage servicer provisions in the Mortgage Loan Originators Law, including those related to licensing, the need for which has been eliminated by recent amendments to the Mortgage Servicers Law. In addition, this measure makes various housekeeping amendments to clarify provisions and ensure consistency between the Mortgage Loan Originators Law, the Mortgage Servicers Law, and applicable federal regulations. Your Committee believes that the clarity provided by this measure will promote compliance among mortgage industry licensees.

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 Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2850, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2850, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, Inouye, Riviere, Taniguchi, Wakai).

SCRep. 2769 Ways and Means on S.B. No. 2859

The purpose and intent of this measure is to increase the minimum balance amount required to be retained in the public utilities commission special fund at the end of each fiscal year from \$1,000,000 to \$3,000,000.

Your Committee received written comments in support of this measure from the Public Utilities Commission, Blue Planet Foundation, and one individual.

Your Committee finds that all moneys in excess of \$1,000,000 remaining on balance in the public utilities commission special fund lapse to the general fund on June 30 of each year. This requirement was established over twenty years ago, and the complexity and size of the Commission's workload has since drastically increased. Your Committee further finds that, because of new statutory mandates, evolving technology, new utility business models, and other important Commission matters, this amount has become insufficient to meet the Commission's current financial obligations.

Your Committee has amended this measure by changing the:

- (1) Proposed minimum balance amount to be retained in the public utilities commission special fund from \$3,000,000 to an unspecified sum; and
- (2) 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. 2859, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2859, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2770 Ways and Means on S.B. No. 2667

The purpose and intent of this measure is to promote the timely payment of claims made by health insurers to health care providers.

Specifically, the measure:

- (1) Requires health insurers to treat claims for payment that are in all aspects correctly filed and priced, otherwise known as clean claims, in the same manner as uncontested claims for purposes of payment timeframes; and
- (2) Repeals the exemption of Medicaid claims from the definition of clean claims.

Your Committee received written comments in support of this measure from Healthcare Association of Hawaii, Hawaii Pacific Health, and The Queen's Health System.

Your Committee received written comments on this measure from the Department of Human Services and the Hawaii Medical Service Association.

Your Committee finds that this measure will help to mitigate the adverse impacts of payment delays on clean claims by encouraging the timely payment of claims.

Your Committee notes that the Department of Human Services stated that repealing the exemption of Medicaid claims from the definition of a clean claim is unnecessary. Your Committee further notes that Hawaii Pacific Health requested an amendment to also repeal two other types of claims from the definition of a clean claim, specifically claims for self-insured groups and claims for services rendered to individuals associated with a health care entity through a national participating provider network.

Your Committee suggests that Hawaii Pacific Health should submit their proposed amendment for adoption by the next committee to hear this measure.

Your Committee has amended this measure by noting in the preamble of the measure that the Department of Human Services indicates that the exemption of Medicaid claims from the definition of clean claims is not necessary.

As affirmed by the record of votes of the members 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. 2667, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2667, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 2771 Ways and Means on S.B. No. 2476

The purpose and intent of this measure is to provide assistance to children who are deaf, hard of hearing, or deaf-blind by:

- (1) Establishing within the Department of Health an early language acquisition program for children up to three years of age;
- (2) Requiring the Department of Health, Department of Education, and the Executive Office on Early Learning to establish a working group on age-appropriate language development for children up to five years of age; and
- (3) Appropriating funds to staff the early language acquisition program.

Your Committee received written comments in support of this measure from the School Community Council for the Hawaii School for the Deaf and the Blind, Disability and Communication Access Board, Aloha State Association of the Deaf, and twelve individuals.

Your Committee received written comments on this measure from the Department of Health, Department of Education, and Executive Office on Early Learning.

Your Committee finds that early language acquisition is a key component in a child's social and educational development. Most children who are deaf, hard of hearing, or deaf-blind do not develop language in the same way that hearing children do, because most have had hearing parents who do not know how to communicate with a child who does not hear. Your Committee therefore finds that it is imperative that a child who is deaf, hard of hearing, or deaf-blind develop language, in some form, as soon as possible.

Your Committee requests the agencies involved to provide subsequent committees that hear this measure with realistic costs and staffing needs to implement this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the matter; 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 S.B. No. 2476, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2476, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2772 Ways and Means on S.B. No. 2217

The purpose and intent of this measure is to appropriate funds for the operation, repair, maintenance, and improvement of the East Kauai irrigation system by the East Kauai Water Users' Cooperative.

Your Committee received written comments in support of this measure from the Department of Agriculture; East Kauai Water Users' Cooperative; Hawaii Cattlemen's Council; Hawaii Farm Bureau; Isle Interpret, LLC; Kalepa Coalition; Saiva Siddhanta Church; and one individual.

Your Committee finds that reliable irrigation systems are the lifelines of the State's agricultural community and that the East Kauai irrigation system should be repaired, properly maintained, and improved to ensure that agricultural crops receive a steady and dependable supply of water.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$75,000 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. 2217, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2217, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2773 Ways and Means on S.B. No. 2773

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources for the natural resource management, clean energy, and green workforce development goals of the Aloha+ Challenge.

Specifically, for fiscal year 2016-2017, this measure appropriates out of the general revenues of the State to the Department of Land and Natural Resources:

- (1) \$2,500,000 to fund positions and other operating expenditures in the forest and outdoor recreation program (LNR804) for access, easements, trails, outdoor recreation improvements, environmental education, and other operating expenditures;
- (2) \$4,000,000 to fund other operating expenditures in the natural area reserves and watershed management program (LNR407) for watershed protection;
- (3) \$1,200,000 for the conservation and resources enforcement program (LNR405) for personal services, other current expenses, equipment, and motor vehicles for the community fisheries enforcement unit;
- (4) \$5,250,000 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; provided that portions of this appropriation may be transferred to other state departments to implement the directions of the Hawaii Invasive Species Council;
- (5) \$3,600,000 to fund positions and other operating expenditures in the native resources and fire protection program (LNR402) for native species restoration; and
- (6) \$3,500,000 to fund positions and other operating expenditures in the forestry resource management and development program (LNR172) for forest reserve system management, including pre-fire suppression of high fuel areas, private landowner assistance programs, establishing renewable energy projects with forest biomass, and generation of new forestry revenue streams, such as through the carbon market.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Hawaii Invasive Species Council; Board of Water Supply, City and County of Honolulu; Department of Water, County of Kauai; Kauai Watershed Alliance; Kauai Invasive Species Committee; Oahu Invasive Species Committee; Conservation Council for Hawaii; Coordinating Group on Alien Pest Species; The Nature Conservancy; Hawaii Green Growth; and one individual.

Your Committee finds that through the adoption of Senate Concurrent Resolution No. 69, S.D. 1, Regular Session of 2014, the Legislature endorsed and supported a shared statewide commitment to sustainability through the integrated approach and targets of the Aloha+ Challenge to be achieved by 2030. Your Committee recognizes that funding efforts to reach these goals are essential to preserve Hawaii's environment, improve the quality of life for residents and visitors, and maintain important revenue streams in Hawaii's economy. Your Committee believes that this measure will support natural resource management and increase the number of green workforce jobs and training opportunities, each of which is essential to the overall success of the Aloha+ Challenge.

Your Committee has amended this measure by changing all of the appropriations in the measure to unspecified amounts and changing its 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. 2773, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2773, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Taniguchi).

SCRep. 2774 Ways and Means on S.B. No. 2156

The purpose and intent of this measure is to authorize the Department of Land and Natural Resources to become a member of the Interstate Wildlife Violator Compact, or a similar agreement.

Your Committee received written comments in support of this measure from Humane Society of the United States and four individuals.

Your Committee received comments on this measure from Department of Land and Natural Resources.

Your Committee finds that forty-seven states are members of the Interstate Wildlife Violator Compact. Your Committee further finds that membership in the compact will help the State prevent individuals who have committed illegal acts relating to wildlife in other states from coming to Hawaii and engaging in similar conduct.

Your Committee notes that the Department of Land and Natural Resources has requested additional funding to meet the costs of fulfilling its duties under the Interstate Wildlife Violator Compact. Your Committee has requested the department to provide an estimate of these costs.

Your Committee has amended this measure by:

- (1) Adding a section that appropriates an unspecified sum to be expended by the Department of Land and Natural Resources to implement the duties required under the measure; 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. 2156, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2156, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2775 Ways and Means on S.B. No. 2512

The purpose and intent of this measure is to increase penalties and establish an additional fine for animal desertion.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Conservation Council for Hawaii, Hawaii Cat Foundation, Poi Dogs & Popoki, The Humane Society of the United States, and seven individuals.

Your Committee recognizes that every year, the abandonment of thousands of animals across Hawaii contributes to increased animal control costs, animal suffering, overpopulation, increased euthanasia rates at local animal shelters, and possible harm to native wildlife. Your Committee believes that this measure's stronger penalties will deter animal desertion, encourage pet owners to work with local shelters and animal control contractors when a pet must be re-homed, strengthen pet retention, encourage human-animal bonding, and protect pet owners and animals.

As affirmed by the record of votes of the members 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. 2512, 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 (Taniguchi).

SCRep. 2776 Ways and Means on S.B. No. 2620

The purpose and intent of this measure is to expand the conclusive presumption of signage as legally adequate warning of dangerous conditions to include "non-natural" conditions on unimproved public land.

Your Committee received written comments in support of this measure from the Department of the Attorney General and Department of Land and Natural Resources.

Your Committee received testimony in opposition to this measure from the Hawaii Association for Justice.

Your Committee finds that expanding the conclusive presumption of signage as legally adequate warning of dangerous conditions to "non-natural" conditions on unimproved public land will limit public entity liability in actions based upon the duty to warn of certain conditions.

Your Committee notes that stakeholders have been requested to continue discussion about points of contention in this measure as it works its way through 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. 2620, 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 (Taniguchi).

SCRep. 2777 Ways and Means on S.B. No. 2904

The purpose and intent of this measure is to authorize the Department of Land and Natural Resources to establish and operate aquatic mitigation banks to restore, create, enhance, or preserve aquatic habitats or resources as compensatory mitigation.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the Office of Hawaiian Affairs.

Your Committee finds that authorizing the Department of Land and Natural Resources to establish and operate aquatic mitigation banks to restore, create, enhance, or preserve aquatic habitats or resources as compensatory mitigation will provide the department with an important mechanism to address the increasing adverse impacts to the State's aquatic public trust resources and habitats.

As affirmed by the record of votes of the members 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. 2904 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2778 Ways and Means on S.B. No. 2906

The purpose and intent of this measure is to make permanent the law that authorizes the use of safe harbor agreements, habitat conservation plans, and incidental take licenses as recovery options for conserving and protecting the State's threatened and endangered species.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; and the Land Use Research Foundation of Hawaii.

Your Committee finds that the Legislature provided a sunset clause that no new habitat conservation plans, safe harbor agreements, or incidental take licenses would be approved or issued after July 1, 2002. This sunset clause was incrementally extended in Regular Sessions of 2001, 2006, and 2012. The current version of the law allows for such plans, agreements, and licenses to be issued up to June 30, 2017. Your Committee further finds that safe harbor agreements, habitat conservation plans, and incidental take licenses are invaluable tools in the process of recovering the State's endangered species while supporting economic development opportunities. Accordingly, your Committee finds that the ability to approve and issue safe harbor agreements, habitat conservation plans, and incidental take licenses is vital and should be made permanent.

Your Committee notes that, although this measure was proposed by the Department of Land and Natural Resources, the Department of Business, Economic Development, and Tourism suggested extending, rather than deleting, the sunset date, which contradicted the Department of Land and Natural Resources' proposal.

As affirmed by the record of votes of the members 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. 2906 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 (Taniguchi).

SCRep. 2779 (Majority) Ways and Means on S.B. No. 2394

The purpose and intent of this measure is to establish influenza vaccination requirements for health care workers.

Specifically, this measure:

- (1) Requires hospitals to ensure that health care workers receive the influenza vaccination as a precondition to employment and, subsequently, on an annual basis;
- (2) Requires hospitals to provide health care workers with information on the influenza vaccination; and
- (3) Exempts health care workers from receiving an influenza vaccination if the health care worker has a condition contraindicated for the vaccination, holds a sincere religious belief opposing the vaccination, or there is an insufficient supply of vaccine.

Your Committee received written comments in support of this measure from the Department of Health; East Hawaii Region of Hawaii Health Systems Corporation; Hawaii State Center for Nursing; Hawaii Pacific Health; The American Organization of Nurse Executives, Hawaii Chapter; Health Care Association of Hawaii; Walgreens; CVS Health; Hawaii Immunization Coalition; and fifteen individuals. Your Committee received written comments in opposition to this measure from the Hawaii Nurses Association and twelve individuals.

Your Committee finds that health care workers who have been vaccinated for influenza reduce their chances of contracting the flu and transmitting it to patients, including those with compromised immune systems. Your Committee further finds that protecting health care workers from influenza can help to avert critical personnel shortages during times of influenza outbreaks.

As affirmed by the record of votes of the members 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. 2394 and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Chun Oakland, Inouye, Riviere). Noes, 1 (Slom). Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 2780 Ways and Means on S.B. No. 2822

The purpose and intent of this measure is to expand the authority of the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with state and county departments and agencies.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Office of Planning, Hawaii Housing Finance and Development Corporation, The Chamber of Commerce Hawaii, and Hawaii Association of Realtors.

Your Committee finds that mixed-use zoning encourages smart growth and the development of compact, higher-density communities consisting of walkable areas with housing, jobs, shops, and services located within close proximity. Expanding the authority of the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with state and county departments and agencies would further enable the corporation to use its development authority and expertise to facilitate the development of affordable dwelling units in areas with mixed-use zoning.

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 Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2822, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2822, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2781 Ways and Means on S.B. No. 2807

The purpose and intent of this measure is to consolidate the information technology functions of the State.

Specifically, this measure:

- (1) Formally combines the Office of Information Management and Technology and the Information and Communication Services Division of the Department of Accounting and General Services into one agency known as the Office of Enterprise Technology Services, to be overseen by the State Chief Information Officer; and
- (2) Requires the Office of Enterprise Technology Services to:
 - (A) Coordinate procurement of information technology to ensure compatibility with existing systems;
 - (B) Provide centralized computer information services for the executive branch; and
 - (C) Establish a program for access to public information.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, the Department of Commerce and Consumer Affairs Office of Consumer Protection, and the Office of Enterprise Technology Services.

Your Committee finds that in 2010, the Legislature established the Chief Information Officer position and transferred oversight of the Information and Communication Services Division of the Department of Accounting and General Services to the Chief Information Officer. The following year, the State established the Office of Information Management Technology, also under the oversight of the Chief Information Officer. Your Committee further finds that consolidation of the two agencies will help to ensure that statewide information processing will align with statewide governance and strategic plans.

Your Committee has amended this measure by:

- (1) Clarifying the duties of the Office of Enterprise Technology Services to include:
 - (A) Working with the executive branch departments and agencies to develop and maintain the department or agency's multi-year information technology strategic and tactical plan and roadmap; and
 - (B) Coordinating each executive branch department and agency's information technology budget request, forecast, and procurement purchase to ensure compliance with the department or agency's strategic plan and roadmap and with the Office of Enterprise Technology Services' information technology governance processes and enterprise architecture policies and standards;
- (2) Making conforming amendments to section 27-43(b)(6), Hawaii Revised Statutes, to change the reference of "information and communication services division" to "office of enterprise technology services"; and
- (3) Making conforming amendments to section 435H-4(d), Hawaii Revised Statutes, to change the reference of "office of information management and technology" to "office of enterprise technology 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. 2807, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2807, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2782 Ways and Means on S.B. No. 3017

The purpose and intent of this measure is to address the shortage of physicians in Hawaii.

More specifically, this measure makes an appropriation to fund:

- (1) Family medicine primary care resident positions in rural Oahu and neighbor island communities in the State;
- (2) An increase in faculty and infrastructure for the Family Medicine Residency Program at the John A. Burns School of Medicine; and
- (3) The development of new accredited family health centers in association with teaching hospitals.

Your Committee received written comments in support of this measure from the John A. Burns School of Medicine, Hawaii County Council, Hawaii Primary Care Association, Hawaii Pacific Health, Hawaii Medical Service Association, Hawaii Academy of Family Physicians, Healthcare Association of Hawaii, The Queen's Health Systems, and seven individuals.

Your Committee finds that Hawaii has a shortage of physicians, most notably in rural areas of the State. Also, many medical students graduate with significant educational debt and are obligated to choose a specialty with high compensation to repay their student loans. Accordingly, your Committee finds that providing financial support for a Family Medicine Residency Training Program will increase the number of resident positions and take initial steps to implement a family medicine program on Kauai or in north Hawaii.

Your Committee notes that the John A. Burns School of Medicine should provide a sustainable business model and financial plan for the implementation of the Family Medicine Residency Training Program; ongoing cost estimates for the program and sources of funding; and expected return on investment in the program, through such indicators as increased number of residency slots and access to care in rural areas.

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. 3017, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3017, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2783 Ways and Means on S.B. No. 2448

The purpose and intent of this measure is to assist in the identification, control, and removal of invasive species.

Specifically, part I of this measure:

- (1) Authorizes the Hawaii Invasive Species Council to adopt rules, without regard to the public notice and public hearing requirements of chapter 91, Hawaii Revised Statutes, to amend the list identifying invasive species in the State;
- (2) Prevents the Hawaii Invasive Species Council from including domesticated pet species in the invasive species list; and
- (3) Authorizes agents of any entity that is a member of the Invasive Species Council to enter onto private property to control or eradicate the invasive species on the property, after reasonable notice.

Furthermore, part II of this measure appropriates general funds for the management of Albizia trees on the island of Hawaii.

Your Committee received written comments in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Hawaii Invasive Species Council, Oahu Invasive Species Committee, Conservation Council for Hawaii, Coordinating Group on Alien Pest Species, and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Floriculture and Nursery Association and one individual.

Your Committee received comments on this measure from one individual.

Your Committee finds that Albizia trees are an invasive species in Hawaii and are a matter of statewide concern. Your Committee recognizes that existing State and county budgets are not sufficient to combat the rapid growth of Albizia trees on the island of Hawaii and elsewhere. Your Committee further finds that the provisions of part I of this measure are similar to certain provisions contained in Senate Bill No. 2799, S.D. 1, which establishes a new chapter in the Hawaii Revised Statutes entitled "Invasive Species Authority" and repeals chapter 194, Hawaii Revised Statutes, relating to the Invasive Species Council.

Your Committee has amended this measure by:

- (1) Deleting part I of the measure; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee requests that the next committee to hear this measure consider expanding Albizia tree management statewide if resources are 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 S.B. No. 2448, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2448, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2784 Ways and Means on S.B. No. 2085

The purpose and intent of this measure is to appropriate moneys to support programs and services relating to aging.

More specifically, this measure appropriates moneys for:

- (1) The Kupuna Care program;
- (2) The Aging and Disability Resource Center;
- (3) Fall prevention and early detection services for the elderly;
- (4) The healthy aging partnership program;
- (5) An Alzheimer's disease and related dementia services coordinator position within the Department of Health; and
- (6) An Alzheimer's disease and related dementia public awareness program.

Your Committee received written comments in support of this measure from the Executive Office on Aging, State Council on Developmental Disabilities, Maui County Office on Aging, Legislative Committee of Policy Advisory Board for Elder Affairs, AARP Hawaii, Hawaii Family Caregiver Coalition, Healthcare Association of Hawaii, Catholic Charities Hawaii, The Queen's Health Systems, Hawaii Alliance for Retired Americans, Alzheimer's Association, Aloha Chapter, ILWU Local 142, and nine individuals.

Your Committee finds that the State's elderly and aging population face a wide variety of issues that deserve attention and support. Some of the issues faced by Hawaii's elderly and aging population include a lack of streamlined information about and access to resources that offer information on affordable and quality home- and community-based services, caregiver support, preventing falls and resulting injuries, healthy lifestyles, and the prevalence and dangers of Alzheimer's disease and related dementias.

Your Committee believes that the Department of Health and its affiliated offices and divisions are in the best position to provide such support by strengthening existing and new programs and services that address some of the most prevalent concerns facing our elderly residents. Your Committee also finds that these programs require additional funding if they are expected to successfully serve their intended recipients, especially as our aging population increases.

Your Committee has amended this measure by:

- (1) Changing the \$5,100,000 appropriation for the Kupuna Care program to an unspecified amount;
- (2) Changing the \$1,710,000 appropriation for the Aging and Disability Resource Center to an unspecified amount;
- (3) Changing the \$32,000 appropriation for fall prevention and early detection services for the elderly to an unspecified amount;
- (4) Changing the \$485,880 appropriation for the healthy aging partnership program to an unspecified amount;
- (5) Changing the \$70,000 appropriation for an Alzheimer's disease and related dementia services coordinator position to an unspecified amount;
- (6) Changing the \$200,000 appropriation for an Alzheimer's disease and related dementia public awareness program to an unspecified amount; and
- (7) 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. 2085, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2085, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2785 (Majority) Ways and Means on S.B. No. 2767

The purpose and intent of this measure is to appropriate funds for the University of Hawaii at Manoa to hire three psychologists and one case manager to improve students' mental health treatment and services.

Your Committee received written comments in support of this measure from the University of Hawaii at Manoa, the Graduate Student Organization of the University of Hawaii at Manoa, the Office of the President of the Associated Students of the University of Hawaii, and fourteen individuals.

Your Committee finds that university students often face complex challenges in their personal and academic lives, resulting in increased anxiety, stress, and destructive and harmful thoughts. This measure will help alleviate the current heavy workload of therapists at the University of Hawaii at Manoa and increase the university's ability to reach out through proactive educational efforts.

Your Committee requests that the University of Hawaii at Manoa provide subsequent standing committees with a cost estimate for establishing the positions and providing support that would be funded by this measure.

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. 2767, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2767, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, 1 (Slom). Excused, 1 (Taniguchi).

SCRep. 2786 Ways and Means on S.B. No. 2782

The purpose and intent of this measure is to create an incentive program for educational assistants that work in hard-to-fill schools to attain teacher licensure if they commit to teaching in a hard-to-fill school for three years.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Public Charter School Commission, College of Education at the University of Hawaii at Manoa, and Special Education Advisory Council.

Your Committee finds that the Department of Education struggles to place teachers in schools with high turnover rates or that are designated as hard-to-fill. Although they lack teacher licensure, educational assistants serve important roles in the classroom, including tutoring, mentoring, and assisting the teacher with classroom management and safety. One obstacle many educational assistants face in obtaining teacher licensure is the cost.

Your Committee believes that providing educational assistants with tuition reimbursement for teacher certification programs will encourage more educational assistants to seek out the necessary education to become certified teachers. Additionally, your Committee believes that requiring educational assistants to commit to working at a hard-to-fill school for three years in order to receive tuition reimbursement will assist the Department of Education with its hiring needs.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$870,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee notes that as this measure moves forward, the Department of Education is expected to consider and report back on the estimated cost for providing the alternate route to teacher certification proposed under this measure.

Further, should a standing committee in the House of Representatives decide to hear this measure, your Committee respectfully requests the committee to consider inserting the clarifying language proposed in the Department of Education's testimony regarding 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. 2782, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2782, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2787 Ways and Means on S.B. No. 3126

The purpose and intent of this measure is to address the need for air conditioning in public schools.

More specifically, this measure:

- (1) Appropriates moneys from the Hawaii green infrastructure special fund to provide a loan to the Department of Education and the Department of Budget and Finance for the equipment and installation of air conditioning and other energy efficiency measures;
- (2) Authorizes the Department of Education and the Department of Budget and Finance to borrow the moneys provided by the appropriation from the green infrastructure loan program and authorizes the Department of Education to expend the funds for air conditioning and energy efficiency measures;
- (3) Appropriates general obligation bond funds to the Department of Education for the equipment and installation of air conditioning and other energy efficient measures; and
- (4) Appropriates general funds to the Department of Budget and Finance to make the initial loan repayment to the green infrastructure loan program.

For purposes of a public hearing, your Committee circulated a proposed Senate Draft 2 (Proposed Draft) of the measure, which also addresses air conditioning in public schools, and notified the public that your Committee would be accepting testimony on the Proposed Draft.

The Proposed Draft amends S.B. No. 3126, S.D. 1, by:

- (1) Deleting the authorization for the Department of Education and the Department of Budget and Finance to borrow moneys from the green infrastructure loan program and authorization to the Department of Education to expend the funds for air conditioning and energy efficiency measures;
- (2) Deleting the \$7,000,000 appropriation of general funds to the Department of Budget and Finance to make the initial loan repayment to the green infrastructure loan program; and
- (3) Replacing the green infrastructure loan special fund as the means of financing source with a \$100,000,000 appropriation out of the general fund.

Your Committee received testimony in support of the Proposed Draft from the Department of Education; Department of Business, Economic Development, and Tourism; Board of Education; Hawaii State Teachers Association; United Public Workers; and two individuals.

Your Committee received comments on the Proposed Draft from the Department of Budget and Finance. The Department expressed a preference for the version of the bill as received by your Committee.

Your Committee received testimony in opposition to the Proposed Draft from one individual.

Your Committee received comments on the Proposed Draft from the Tax Foundation of Hawaii.

Your Committee finds that there is an urgent need to implement air conditioning and other heat abatement measures in public school classrooms to preserve and promote the health and safety of students and teachers and to foster a more productive learning environment. Governor Ige, in his 2016 State of the State address, challenged the Department of Education to cool one thousand classrooms by the end of the year, and while your Committee may not agree on the proposed method of financing, it views this measure as a vehicle and an opportunity to quickly bring relief to students and teachers statewide.

Your Committee feels it is important to make clear that the funds being considered in the Proposed Draft do not impact the State's \$1,000,000,000 Medicaid general fund budget. These funds are being reimbursed to the State for adjustments made to prior years' payments and are not accounted for and are non-recurring in the financial plan. As such, the most prudent use of these funds would be for non-recurring costs such as these, allowing for maximum flexibility, quick deployment, and eliminating the need for debt service payments into future years. Accordingly, your Committee has amended this measure by adopting the Proposed Draft.

As affirmed by the record of votes of the members 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. 3126, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3126, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2788 Ways and Means on S.B. No. 1311

The purpose and intent of this measure is to clarify that an educational practitioner who uses behavior analysis principles when practicing within the educational practitioner's own recognized scope of practice is exempt from the licensure requirements for behavior analysts.

Your Committee received written comments in support of this measure from the Department of Education, Special Education Advisory Council, and State Council on Developmental Disabilities.

Your Committee received written comments in opposition to this measure from the Hawaii State Teachers Association, Hawaii Association for Behavior Analysis, Hawaii Association of School Psychologists, and Keiki Educational Consultants, Inc.

Your Committee received written comments on this measure from the Hawaii Disability Rights Center.

Your Committee finds that as part of their regular duties in the delivery of teaching and strategies to assist students to learn, Department of Education personnel engage in the practice of behavior analysis in a school classroom setting. However, department personnel, including general and special education teachers, counselors, school psychologists, and educational assistants, do not, in the course of their work in a public educational setting, use any title or description stating or implying that the individual is a licensed behavior analyst or a "practicing" behavior analyst.

Your Committee further finds that without this measure, services to students with autism disorder may be disrupted. This measure will clarify that educational professionals will not be subject to mandatory licensing outside the scope of their formal educational degrees and training.

Your Committee notes that considerable concerns remain in regards to this measure, and, moving forward, stakeholders and the Department of Education should continue discussions and make recommendations on possible amendments.

Your Committee has amended this measure by changing the effective date from upon approval to July 1, 2050, to facilitate further discussion on 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. 1311, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1311, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Taniguchi).

SCRep. 2789 Ways and Means on S.B. No. 2604

The purpose and intent of this measure is to require the Department of Education to establish an off-grid microgrid pilot project through the Ka Hei Program.

Your Committee received written comments in support of this measure from the Board of Education, Department of Education, OpTerra Energy Services, and Hawaiian Electric Company.

Your Committee finds that the Department of Education incurs significant electricity costs, partially due to the need to provide heat abatement for an improved learning environment. Additionally, many Department of Education schools serve as emergency shelters and are vulnerable to power grid failures during an emergency.

Your Committee also finds that microgrids are a group of interconnected loads and distributed energy within defined electrical boundaries that can act as single controllable entities with respect to the power grid. Using microgrids to provide energy to Department of Education schools can lower utility costs, provide reliable energy during emergencies, and help the State progress toward its renewable portfolio standard goal of one hundred per cent by 2045. While the Department of Education may not be able to

install and use microgrids at all public schools immediately, the establishment of a microgrid pilot project will provide the department with the information it needs to eventually install and use microgrids across all public schools effectively and efficiently.

Your Committee has amended this measure 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 S.B. No. 2604, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2604, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Inouye). Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2790 (Joint) Ways and Means and Judiciary and Labor on S.B. No. 2878

The purpose and intent of this measure is to promote the welfare of foster youth and former foster youth.

More specifically, this measure:

- (1) Extends the deadline for former foster youth to apply for financial assistance for higher education costs from age twenty-two to age twenty-six;
- (2) Clarifies that financial assistance available to Hawaii's former foster youth is for related higher education costs and not specifically limited to room and board costs;
- (3) Clarifies eligibility and program requirements for the ongoing implementation of the Young Adult Voluntary Foster Care Program; and
- (4) Repeals existing statutory language that requires the Department of Human Services to submit annual reports to the Legislature regarding the Young Adult Voluntary Foster Care Program.

Your Committees received written comments in support of this measure from the Department of Human Services, Family Programs Hawaii, Hale Kipa, EPIC Ohana, Inc., and thirteen individuals.

Readiness for higher education may come at a later time than twenty-two years of age for many former foster youth. Your Committees find that the change in application time provided in this measure will increase the access to education for those individuals. Your Committees also find that the changes to the Young Adult Voluntary Foster Care Program in this measure will provide needed clarification and greater consistency regarding eligibility for program services for former foster youth.

Your Committees note that the Department of Human Services has indicated that this measure's extension of the application deadline for higher education assistance will not increase costs, because youth may use federal funds for higher education from the Young Adult Voluntary Foster Care Program from ages eighteen to twenty-one years, while youth may use the higher education stipends cover from ages twenty-two to twenty-six years.

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. 2878, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Harimoto).

Judiciary and Labor: Ayes, 7. Noes, none. Excused, none.

SCRep. 2791 Ways and Means on S.B. No. 2103

The purpose and intent of this measure is to authorize law enforcement officers to obtain technical assistance to search an electronic device or storage media, subject to court approval.

Your Committee received written comments in support of this measure from the Office of the Attorney General and the City and County of Honolulu Department of the Prosecuting Attorney. Your Committee received written comments on this measure from the Judiciary.

Your Committee finds that most law enforcement officers do not have the technical skill to execute a search warrant on an encrypted electronic device and must rely on the assistance of persons who have specialized technical skills but who are not law enforcement personnel. Your Committee further finds that this measure will allow officers to more easily obtain the necessary assistance from forensic information technology personnel and other specialists, located within or outside the State, when executing search warrants.

Your Committee has amended this measure by:

- (1) Specifically referencing section 803-37, Hawaii Revised Statutes, in the amendments made to sections 803-31, 803-34, and 803-35, Hawaii Revised Statutes;
- (2) Requiring an officer, in seeking court approval to obtain assistance from an individual or entity to search an electronic device or storage media, to present a sworn statement to the court setting forth the:
 - (A) Reliability and qualifications of the technical assistants; and
 - (B) Why assistance is necessary; and
- (3) Changing the effective date to July 1, 2076, 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. 2103, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2103, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 2792 Ways and Means on S.B. No. 2318

The purpose and intent of this measure is to protect survivors of domestic violence, sexual assault, and stalking.

More specifically, the measure:

- (1) Establishes within the Department of the Attorney General the Address Confidentiality Program to provide that qualified participants may use a substitute legal address for certain purposes in order to protect the confidentiality of the participant's actual address and prevent assailants or potential assailants from locating the participant through public records; and
- (2) Makes an appropriation for the implementation and operation of the Address Confidentiality Program.

Your Committee received written comments in support of this measure from the Crime Victim Compensation Commission, Hawaii State Commission on the Status of Women, Department of the Prosecuting Attorney of the City and County of Honolulu, American Association of University Women - Hawaii, Hawaii State Coalition Against Domestic Violence, Hawaii State Democratic Women's Caucus, Parents and Children Together, The Sex Abuse Treatment Center, and two individuals.

Your Committee finds that this measure will protect victims of domestic violence, sexual assault, and stalking by providing a substitute legal address that Address Confidentiality Program participants may use when an address is required for public records. Your Committee also finds that this will enable participants to keep their actual address confidential when applying for a driver's license, receiving child support payments, registering to vote, accepting legal service, or for other purposes that require a mailing address.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$362,600 to an unspecified amount to facilitate further discussion on the measure; and
- (2) Changing the effective date to January 1, 2017, except for the appropriation provision.

Your Committee notes that, during its deliberations on this measure, it was determined that the appropriation amount included funding for two full-time equivalent (2.0 FTE) positions to staff the Address Confidentiality Program. As this measure continues to move forward, it should be determined which agency or department is most appropriate to administer the 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. 2318, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2318, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Harimoto).

SCRep. 2793 Ways and Means on S.B. No. 2544

The purpose and intent of this measure is to ensure sufficient revenues to fund the costs to regulate professional employer organizations.

More specifically, this measure statutorily increases the fees imposed upon professional employer organizations.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations.

Your Committee received written comments in opposition to this measure from ALTRES, Inc.; Hawaii Human Resources, Inc.; and National Association of Professional Employer Organizations.

Your Committee received written comments on this measure from ProService Hawaii.

Your Committee finds that the fees imposed upon professional employer organizations are intended to generate sufficient revenues to entirely fund the cost to regulate professional employer organizations.

Your Committee finds that a flat fee, rather than a fee per employee, may provide administrative efficiency and fairness. Your Committee intends that the flat fee amounts specified in the bill by your Committee should be sufficient to raise approximately \$140,000 for annual costs to regulate professional employer organizations, including fringe benefit costs.

Your Committee has deliberately included the flat fee amounts in this bill, rather than leave them unspecified, in order to elicit knowledgeable discussion as this bill moves forward. If the flat fee amounts in this bill are inadequate or excessive in relation to the intended \$140,000 cost for the program, your Committee is willing to consider alternatives. Finally, your Committee expressly states its intent regarding the funding of the professional employer regulatory program. Your Committee is adamant that the program be funded by the professional employer organizations, not the general taxpayers.

Accordingly, your Committee has amended this measure by changing the:

- (1) Biennial renewal fees for professional employer organizations, which are in categories based upon the number of employees a professional employer organization reports to the Department of Labor and Industrial Relations, from a fee per employee in each category to a flat fee in each category; and

- (2) The effective date to July 1, 2050, 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. 2544, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2544, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 2794 Ways and Means on S.B. No. 668

The purpose and intent of this measure is to provide immunity to the Department of Health and its employees, agents, and volunteers from liability for operating the clean and sober homes registry in good faith.

Your Committee received written comments in support of this measure from the Department of Health, the Hawaii Paroling Authority, Hawaii Substance Abuse Coalition, and two individuals. Your Committee received written comments in opposition to this measure from the Hawaii Association for Justice.

Your Committee finds that stable housing is a critical component of substance abuse treatment and recovery. Your Committee recognizes that the voluntary registry of clean and sober homes provides a helpful resource to agencies when referring clients to these homes. However, your Committee believes that, even when operating in good faith, the Department of Health and registry staff risk exposure to liability if clients are referred to a clean and sober home listed on the registry and later experience tortious incidents at that home. Accordingly, your Committee believes that this measure will prudently protect the State's fiscal interests in situations in which the Department of Health, its employees, and volunteers operate the registry in good faith.

Your Committee respectfully requests that, should this measure be heard by other standing committees, those committees consider the concerns raised in the written comments opposed to this measure, and, if deemed advisable, address those concerns.

As affirmed by the record of votes of the members 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. 668, 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, Harimoto, Taniguchi).

SCRep. 2795 Ways and Means on S.B. No. 2104

The purpose and intent of this measure is to establish standards relating to the collection and disbursement of restitution for crime victims.

More specifically, this measure:

- (1) Establishes procedures for withholding income from persons ordered to pay restitution;
- (2) Establishes a priority of income withholding orders and a formula for allocating amounts withheld among multiple restitution orders;
- (3) Amends the definition of "debt" relating to the recovery of money owed to the State to include court-ordered restitution subject to civil enforcement;
- (4) Requires that any bail posted by a defendant shall be applied toward payment of any court-ordered restitution in the same case;
- (5) Extends victims' access to adult probation records to include access to a defendant's payment compliance records;
- (6) Makes permanent Act 119, Session Laws of Hawaii 2011, which allows certain adult probation records to be provided to certain case management, assessment, or treatment service providers upon the screening for admission, acceptance, or admittance of the defendant into a treatment program; and
- (7) Appropriates an unspecified sum of money to enhance restitution collection, including the hiring of necessary staff.

Your Committee received written comments in support of this measure from the Department of Public Safety, Department of the Prosecuting Attorney of the City and County of Honolulu, and one individual.

Your Committee received written comments on this measure from the Department of Taxation, the Judiciary, and the Crime Victim Compensation Commission.

Your Committee finds that this measure provides a reasonable and comprehensive approach to the collection and disbursement of restitution owed to crime victims by persons against whom judgments or orders have been entered. Providing clarity in the priority of income withholding orders and a formula for allocating amounts withheld from a person against whom more than one order has been entered will help address the negative effects that crime has upon victims.

Your Committee has amended this measure by adopting the following amendments proposed by the Department of the Prosecuting Attorney of the City and County of Honolulu:

- (1) Clarifying that the measure's provisions relating to the withholding of income for payment of restitution applies to persons sentenced to supervision under adult client services;
- (2) Clarifying the methods in which an employer may submit payment to the clerk of the court;
- (3) Extending, from ten days to twenty-one days, the time by which the clerk of the court shall disburse to an obligee payments derived from amounts withheld by an employer;

- (4) Clarifying that the definition of “employer” shall not apply if the employed individual is incarcerated in a correctional facility or engaged in an inmate work furlough program;
- (5) Providing that no filing fee or surcharge shall be imposed for a victim to access certain adult probation records of a defendant to enforce a restitution order;
- (6) Extending for two additional years, to 2020, the sunset date for the provision that increases from ten per cent to twenty-five per cent the amount to be deducted from inmate earnings for payment of restitution;
- (7) Adding an appropriation for equipment costs to support judiciary staffing positions established by this measure;
- (8) Making technical nonsubstantive amendments for purposes of clarity and consistency; and
- (9) Changing the effective date to July 1, 2076, to facilitate further discussion on the measure.

Your Committee notes that the Department of the Prosecuting Attorney of the City and County of Honolulu proposed that this measure appropriate \$694,744, with \$651,744 for the sixteen new judiciary staffing positions and \$43,000 for equipment costs to implement 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. 2104, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2104, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 2796 Ways and Means on S.B. No. 2924

The purpose and intent of this measure is to provide certain government officials with access to tax return information for limited purposes.

Specifically, this measure:

- (1) Amends section 231-18, Hawaii Revised Statutes, to allow disclosure of tax return information to the Department of the Attorney General, federal, state, or local officials, and other persons in certain limited situations; and
- (2) Amends section 235-116, Hawaii Revised Statutes, to clarify that all information filed under chapter 235, Hawaii Revised Statutes, with any state agency is confidential.

Your Committee received written comments in support of this measure from the Department of Taxation.

Your Committee received comments on this measure from the Tax Foundation of Hawaii and one individual.

Your Committee finds that the Department of Taxation is authorized to disclose tax return information to duly accredited federal, state, and local tax officials. Your Committee also finds that this measure is intended to clarify some of the common, specific instances where the Department of Taxation may disclose tax return information. Your Committee notes that the amendments proposed by this measure appear to be comparable to federal provisions allowing the disclosure of tax information; specifically section 6103 of the Internal Revenue Code. However, your Committee also notes that the amendments proposed by this measure do not incorporate procedural and recordkeeping safeguards detailed in section 6103(p) of the Internal Revenue Code.

Your Committee has amended this measure by authorizing the Department of Taxation to adopt administrative rules to ensure that any parties to which a tax return or tax return information is disclosed shall take adequate measures to safeguard the tax return or tax return information disclosed. It is your Committee’s intent that the Department of Taxation consider using section 6103(p) of the Internal Revenue Code as a model when adopting these administrative rules.

As affirmed by the record of votes of the members 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. 2924, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2924, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2797 Ways and Means on S.B. No. 2630

The purpose and intent of this measure is to allow committed persons to create approved products and crafts to be sold to the public through the correctional industries program.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Community Alliance on Prisons, and three individuals. The Department of Public Safety submitted written comments on the measure.

Your Committee finds that the correctional industries program provides opportunities for committed persons to acquire marketable skills, prosocial behaviors, and positive work ethic while incarcerated. Providing committed persons with job skills eases their transition back into the community and reduces the rate of recidivism.

Currently, the sale of articles or products created by committed persons is prohibited in the State. However, your Committee believes that repealing this prohibition and allowing committed persons to create products and crafts to be sold through the correctional industries program will provide an additional means for committed persons to gain job skills that will benefit them upon reentering the community.

Your Committee notes that along with the need to ensure that committed persons may earn money for use while incarcerated and upon release, committed persons also may owe restitution to their victims or debts to the Department of Public Safety. Your Committee hopes that, however the proceeds from the sale of products and crafts allowed by this measure are distributed, the distribution of those moneys are in the best interest of the committed person.

Your Committee has amended this measure by:

- (1) Adding a requirement for the Department of Public Safety to annually report on the amount of moneys that have been deposited into the correctional industries revolving fund from the sale of products and crafts to the public through the correctional industries program;
- (2) Adding a requirement for the Department of Public Safety to annually report on the nexus between the workforce opportunities provided through the correctional industries program during incarceration and life after incarceration; and
- (3) Changing the allocation of the proceeds from the sale of committed persons' products and crafts.

As affirmed by the record of votes of the members 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. 2630, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2630, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 2798 Ways and Means on S.B. No. 3081

The purpose and intent of this measure is to support Maui's workforce.

Specifically, this measure addresses the pending unemployment and dislocation of individuals due to the closure of the Hawaiian Commercial and Sugar Company by offsetting the expiration of job-driven national emergency grant funds with an appropriation of \$850,000 in general funds to establish, administer, and support on-the-job training programs on Maui.

Your Committee received written comments in support of this measure from the Department of Agriculture, Department of Labor and Industrial Relations, Alexander & Baldwin, The Chamber of Commerce Hawaii, Hawaii Construction Alliance, Hawaii Farm Bureau, Hawaii State AFL-CIO, ILWU Local 142, and three individuals.

Your Committee finds that the closure of the Hawaiian Commercial and Sugar Company will cause the loss of over six hundred jobs on Maui. Local restaurants, stores, families, and students may also be affected by this closure because income previously earned by Hawaiian Commercial and Sugar Company employees will no longer be expended in the local Maui economy. Your Committee also finds that in 2014, the United States Department of Labor awarded Hawaii a Job-Driven National Emergency Grant to implement or expand job-driven training programs for dislocated workers. These moneys are set to expire on June 30, 2016, thus making the moneys unavailable for many of the Hawaiian Commercial and Sugar Company workers who are scheduled to be laid off in the latter part of 2016. Accordingly, your Committee finds that this measure will assist dislocated workers and the residents of Maui by providing on-the-job training programs.

Your Committee has amended this measure by changing the:

- (1) Appropriation amount from \$850,000 to an unspecified sum; and
- (2) 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. 3081, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3081, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Taniguchi).

SCRep. 2799 Ways and Means on S.B. No. 2844

The purpose and intent of this measure is reappropriate 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 written comments in support of this measure from 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. Your Committee also finds that these conditions were met at the end of fiscal years 2012-2013 and 2013-2014. Accordingly, the Legislature authorized the appropriation of \$10,000,000 in general revenue funds to be deposited into the emergency and budget reserve fund for fiscal year 2014-2015 under Act 202, Session Laws of Hawaii 2015. However, the Governor signed Act 202 on July 2, 2015, two days after the end of fiscal year 2014-2015, and the moneys could not be deposited. This measure reappropriates those moneys to meet the constitutional requirements.

Your Committee finds that the need to revisit Act 202 provides an opportunity to address funding for homeless facilities and public housing repair and maintenance backlog issues that have received much attention since the end of the Regular Session of 2015.

Your Committee emphasizes that the State Constitution does not specify the amount required to be deposited into a reserve fund to comply with article VII, section 6. Consequently, your Committee has reduced the appropriation under Act 202 to \$1,000,000.

Of the other \$9,000,000, your Committee intends for \$5,000,000 to be appropriated for the purposes stated in Senate Bill No. 2559 (homelessness programs), and \$4,000,000 to be appropriated for the purposes stated in Senate Bill No. 2998 (Hawaii Public Housing Authority capital projects).

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation from \$10,000,000 to \$1,000,000; 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. 2844, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2844, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2800 (Majority) Ways and Means on S.B. No. 2618

The purpose and intent of this measure is to require the Department of Transportation to conduct a study on the feasibility of establishing an interisland ferry system.

The measure also appropriates an unspecified sum to the Department of Transportation to conduct the study.

Your Committee received written comments in support of this measure from the Department of Transportation, Building Industry Association of Hawaii, Hawaii Farm Bureau, Hawaii Lodging and Tourism Association, and two individuals.

Your Committee received written comments in opposition to this measure from Aloha Analytics and one individual.

Hawaii Shippers' Council submitted written comments on the measure.

Your Committee finds that Hawaii does not have the benefit of easy and cost-effective travel among the islands. Your Committee believes that having alternative methods of travel among the islands should be explored to determine whether an interisland ferry system is feasible.

Your Committee emphasizes that this measure authorizes the feasibility study. Your Committee intends that the findings and recommendations of the study guide the Legislature in its further decisions regarding an interisland ferry system.

Your Committee notes that the Department of Transportation is currently reviewing the anticipated cost of preparing an interisland ferry feasibility study.

Your Committee has amended this measure by changing the effective date to January 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. 2618, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2618, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (Chun Oakland, Galuteria).

SCRep. 2801 Ways and Means on S.B. No. 2428

The purpose and intent of this measure is to require the Employees' Retirement System to send a portion of a retiree's pension directly to the Employee-Union Health Benefits Trust Fund to pay the difference between what the public employer is obligated to pay and the actual cost of the health benefits plan for the retiree.

Specifically, this measure requires the Employees' Retirement System to fund the shortfall through withholdings of retirement benefit payment amounts, until the Hawaii Employer-Union Health Benefits Trust Fund authorizes the automatic electronic payment of those payment amounts, beginning after June 30, 2016.

Your Committee received written comments in support of this measure from three individuals.

Your Committee received written comments on this measure from the Employees' Retirement System and the Hawaii Employer-Union Health Benefits Trust Fund.

Your Committee finds that this measure will ensure that health benefit payment amounts are made in a timely manner and promote administrative efficiency.

Your Committee has amended this measure by changing:

- (1) From June 30, 2016, to January 1, 2017, the earliest commencement date for the Hawaii Employer-Union Health Benefits Trust Fund authorization of automatic electronic payments in lieu of withholdings; and
- (2) The effective date of the measure from July 1, 2016, to July 1, 2076, 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. 2428, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2428, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 2802 (Majority Ways and Means on S.B. No. 2724)

The purpose and intent of this measure is to expand the application of wage and hour requirements for employees on public works.

Specifically, this measure:

- (1) Expands the types of projects that must comply with wage and hour requirements under chapter 104, Hawaii Revised Statutes, including construction projects on public lands regardless of whether the work is paid from public funds, and projects for which public lands are used as security for financing;
- (2) Exempts certain projects from chapter 104, Hawaii Revised Statutes; and
- (3) Establishes requirements that apply in situations involving private lessees of public land who contract for certain projects on public land.

Your Committee received written comments in support of this measure from the Hawaii Construction Alliance; Hawaii Regional Council of Carpenters; Hawaii State AFL-CIO; International Union of Bricklayers and Allied Craftworkers, Local #1 of Hawaii; Operating Engineers, Local Union No. 3; and Pacific Resource Partnership.

Your Committee received written comments in opposition to this measure from the Department of Land and Natural Resources; Building Industry Association of Hawaii; and General Contractors Association of Hawaii.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that the purpose of chapter 104, Hawaii Revised Statutes, is to ensure that prevailing wages are paid to, and reasonable work hours are required of, laborers and mechanics on all public work projects where the contract for construction of the public work project exceeds \$2,000. However, chapter 104, Hawaii Revised Statutes, is not applied to state lands that are leased to private developers. As a result, the workers on these projects often receive less than the prevailing wages required by chapter 104, Hawaii Revised Statutes. Your Committee further finds that this measure is intended to ensure that all development, construction, renovation, and maintenance upon state land or the use of state land to secure financing for development, construction, renovation, or maintenance shall constitute a "public work" to which the requirements of chapter 104, Hawaii Revised Statutes, apply.

Your Committee notes, however, the written comments submitted by the Department of Labor and Industrial Relations regarding the applicability of chapter 104, Hawaii Revised Statutes, to projects on state land, wherein the Department states, "[The Department of Labor and Industrial Relations] believes that the very broad, existing definition in chapter 104 already covers the intended purpose of the measure, but also believes dialogue pertaining to this matter is beneficial for the public good and is eager to participate in the discussions as the measure moves through the legislative process."

Your Committee has amended this measure by appropriating funds to the Department of Labor and Industrial Relations for effectuation of this measure and overall enforcement of chapter 104, Hawaii Revised Statutes.

Should this measure be heard by other standing committees, your Committee respectfully requests that the stakeholders work on addressing the issues raised in the written comments submitted on this measure, such as determining what lands should be subject to this measure and what departments or agencies should be involved. Your Committee recognizes that there are a number of unresolved issues regarding this measure. However, it is your Committee's intent that these issues be resolved as the 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. 2724, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2724, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 2 (Riviere, Slom). Excused, 1 (English).

SCRep. 2803 (Majority Ways and Means on S.B. No. 3072)

The purpose and intent of this measure is to establish the Hawaii Airport Authority to oversee the State's air transportation resources.

Specifically, this measure:

- (1) Establishes, on July 1, 2018, the Hawaii Airport Authority as a public instrumentality and an independent subdivision of the State;
- (2) Establishes the powers, organizational structure, and duties of the Hawaii Airport Authority;
- (3) Transfers supervision of state aeronautics administration from the Department of Transportation to the Hawaii Airport Authority on July 1, 2018;
- (4) Requires the Department of Transportation to complete an implementation plan on properly empowering the Hawaii Airport Authority to perform the functions necessary to oversee the State's airports and aeronautical facilities and to recommend other actions needed to effectuate the transfer of responsibilities made by the measure; and
- (5) Appropriates funds to the Department of Transportation to carry out the purposes of the measure.

Your Committee received written comments in support of this measure from the Department of Transportation, Hawaiian Airlines, Airlines Committee of Hawaii, Napili Kai Beach Resort, Maui Hotel and Lodging Association, Hawaii Lodging and Tourism Association, and American Society of Civil Engineers.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Department of Transportation is currently performing a study on the feasibility of establishing an airport authority. Your Committee believes that, given the breadth and scope of such a transfer as called for in this measure, the Governor, based upon the findings and recommendations of the department's study, should determine, by executive order, the date upon which the authority should be established.

Your Committee has amended this measure by:

- (1) Requiring that the Hawaii Airport Authority be established pursuant to an executive order by the Governor specifying a date for establishment and after notification of that date to the Legislature;
- (2) Deleting language designating the Hawaii Airport Authority as an independent subdivision of the State;
- (3) Requiring the Department of Transportation to conduct a feasibility study on implementing the Hawaii Airport Authority;
- (4) Requiring staff of the Hawaii Airport Authority to be subject to public employment laws;
- (5) Deleting provisions authorizing the Hawaii Airport Authority to create new employee classifications;
- (6) Deleting the express authority of the Hawaii Airport Authority to acquire and use lands to stockpile dredged spoils without county approval and notwithstanding any other law;
- (7) Making the authority of the Hawaii Airport Authority to hire or contract law enforcement personnel subject to other laws;
- (8) Deleting the provision requiring the measure to be liberally construed;
- (9) Deleting the section appropriating funds to the Department of Transportation;
- (10) Changing the effective date to July 1, 2076, to facilitate further discussion on the measure; and
- (11) 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. 3072, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3072, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 2 (Taniguchi, Sлом). Excused, 1 (Harimoto).

SCRep. 2804 Ways and Means on S.B. No. 3113

The purpose and intent of this measure is to appropriate moneys for the establishment of a veterans services counselor position within the Office of Veterans' Services to assist all veterans, with a primary focus on female veterans.

Your Committee received written comments in support of this measure from the Office of Veterans Services, Women's Caucus of the Democratic Party of Hawaii, Hawaii Women Veterans Sub-committee of the Office of Veterans Services, NuWayve Unlimited, Planned Parenthood Votes Northwest and Hawaii, The Sex Abuse Treatment Center, and two individuals.

Your Committee finds that nearly fifteen per cent of the members of the United States Armed Forces are women and that percentage is expected to grow as women are now allowed to serve in all front-line combat jobs. Despite the large number of women that are serving or have served in the United States Armed Forces, veterans services are traditionally designed to address the needs of male veterans rather than female veterans.

Your Committee also finds that a 2013 Hawaii women military veterans task force reported that military women face multiple interrelated complex problems. The task force reported that women veterans in particular face reentry issues of inadequate health care, high rates of post-traumatic stress disorder, homelessness, and joblessness. Your Committee believes that a veterans services counselor position should be established to assist all veterans, with a primary focus on the various problems and needs faced by women veterans who have served on active duty.

Your Committee has amended this measure by:

- (1) Inserting an unspecified appropriation for military and veteran commemoration events; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee notes that various measures are being considered this session that would provide funding for different military and veteran commemoration events, such as anniversary events for the Vietnam War and Pearl Harbor attack. There is also a \$437,000 grant request being considered by the Legislature. Your Committee believes it is important that funding for these events continues to be considered. Providing a general appropriation amount to the Department of Defense through either the budget or a bill would provide the department the flexibility needed to support these events that are important to our military community and our State. Accordingly, if a standing committee in the House of Representatives decides to hear this measure, your Committee respectfully requests that the committee ask the Administration to indicate its preference for a funding mechanism for these events.

As affirmed by the record of votes of the members 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. 3113, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3113, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Taniguchi).

SCRep. 2805 (Majority Ways and Means on S.B. No. 2799)

The purpose and intent of this measure is to enhance the State's invasive species programs and restructure the Hawaii Invasive Species Council into a new entity, the Hawaii Invasive Species Authority, to be administratively attached to the Department of Agriculture.

Your Committee received written comments in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Conservation Council for Hawaii, Coordinating Group on Alien Pest Species, Hawaii Cattlemen's Council, Hawaii Farm Bureau, Hawaii Green Growth, Hawaii Invasive Species Council, Hawaii Island School Garden Network, Kauai Watershed Alliance, Local Food Coalition, The Nature Conservancy, Oahu Invasive Species Committee, Ulupono Initiative, and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Floriculture and Nursery Association and one individual.

Your Committee finds that invasive species pose constant threats to flora, fauna, agriculture, and public health in the State. Establishing the Hawaii Invasive Species Authority as an attached agency of the Department of Agriculture and enhancing the State's invasive species prevention, early detection, rapid response, control, enforcement, and outreach programs will help protect the environment, human health, culture, and the economy.

Your Committee further finds that the Hawaii Invasive Species Authority should be required to include, in its annual reports to the Legislature, updates on the authority's biosecurity efforts and the direct assistance those efforts provide to agriculture and farmers.

Your Committee has amended this measure by:

- (1) Changing appropriation amounts of \$900,000 for Hawaii Invasive Species Authority administration and \$10,000,000 for programs of the authority to unspecified amounts;
- (2) Adding updates on biosecurity efforts and direct assistance to agriculture and farmers to the authority's required annual report contents; 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. 2799, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2799, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, 1 (Slom). Excused, 1 (Taniguchi).

SCRep. 2806 Ways and Means on S.B. No. 2570

The purpose and intent of this measure is to establish and appropriate moneys for a rapid re-housing assistance program to move homeless families and individuals into permanent housing as quickly as possible and achieve stability in that housing.

Your Committee received written comments in support of this measure from the Department of Community Services of the City and County of Honolulu, Catholic Charities Hawaii, and one individual.

Your Committee received written comments on this measure from the Department of Human Services and the Governor's Coordinator on Homelessness.

Your Committee finds that homelessness is a major issue in the State and that rapid re-housing is an evidence-based best practice to end homelessness. Providing housing relocation and stabilization services, and short- and medium-term rental housing assistance, will help housed families and individuals who are at risk of homelessness keep their housing and will help those who are homeless transition into housing that is acceptable and safe.

Your Committee notes that the Department of Human Services is presently operating a rapid re-housing program utilizing mainly federal funds. There is no enabling statutory language, however, on the program. Your Committee intends that this measure statutorily establish the program with provisions supported by the Legislature. Your Committee also notes that the Governor has included a \$2,000,000 general fund appropriation in the proposed supplemental budget. Your Committee intends to further consider whether the appropriation should be included in this measure or the supplemental budget bill.

Your Committee has amended this measure by:

- (1) Changing the appropriation from \$1,000,000 to an unspecified amount to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive changes for purposes 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 S.B. No. 2570, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2570, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2807 Ways and Means on S.B. No. 2731

The purpose and intent of this measure as received by your Committee is to establish and appropriate funds for operating expenses of a school impact fee review task force that is to review the law regarding school impact fees and recommend any necessary amendments to the law.

Before the public hearing on the measure, a Proposed Senate Draft 1 (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 clarifies that housing projects developed pursuant to chapter 201H, Hawaii Revised Statutes, are not exempt from the school impact fee requirement, even though they are otherwise exempt from certain laws relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of dwelling units thereon.

Your Committee received written comments and testimony for both the measure as received and the Proposed Draft.

For the measure as received, your Committee received testimony in support from BIA-Hawaii, The Chamber of Commerce Hawaii, and one individual. Your Committee received testimony in opposition from one individual.

For the Proposed Draft, your Committee received comments from the Department of Education and the Hawaii Housing Finance and Development Corporation.

Your Committee finds that Act 245, Session Laws of Hawaii 2007, established the law regarding school impact fees, and implemented a new method for financing, in part, new or expanding educational facilities. Land use planning, development patterns, and preferences have changed significantly since 2007. Act 188, Session Laws of Hawaii 2010, helped to clarify the school impact fee law, but further substantive amendments may be necessary. Your Committee therefore believes that the establishment of a task force to review the school impact fee law is likely to help keep the law aligned with changes in the demand for new and expanded educational facilities. It should be further noted that this task force and its recommendations are merely meant to advise the Legislature on possible changes to the law, and in no way should it be interpreted as affecting current projects.

Your Committee also finds that new affordable housing generates additional students within a school district in the same way that all other new housing development drives up school enrollment. School impact fees are a direct link between new housing units and the new or expanded school facilities required to address the enrollment growth caused by the new units. Your Committee finds it necessary for the law to clarify that developers of certain projects are subject to school impact fees, even when the Hawaii Housing Finance and Development Corporation or a corresponding county agency participates in the development of the projects.

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 further amending it by:

- (1) Requiring the school impact fee review task force to review and recommend appropriate measures to enforce compliance with the school impact fee requirement;
- (2) Deleting the amendment to section 201H-38(a), Hawaii Revised Statutes, to provide that projects developed under chapter 201H shall be subject to the school impact fee; and
- (3) Amending section 302A-1603(a), Hawaii Revised Statutes, to clarify that if a new residential development within a designated school impact district requires a county subdivision approval, a county building permit, or a condominium property regime approval, the developer is also required to fulfill certain impact fee requirements of the Department of Education, even if the project is processed pursuant to section 201H-38, Hawaii Revised Statutes, or section 46-15, Hawaii Revised Statutes, with the involvement of the Hawaii Housing Finance and Development Corporation or a corresponding county agency.

As affirmed by the record of votes of the members 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. 2731, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2731, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Dela Cruz, Galuteria).

SCRep. 2808 (Majority) Ways and Means on S.B. No. 2691

The purpose and intent of this measure is to subject electronic smoking devices and e-liquid to tax rates and requirements that are similar to the tax rates and requirements regarding tobacco-based cigarettes and tobacco products.

Specifically, this measure:

- (1) Requires every retailer engaged in the retail sale of electronic smoking devices or e-liquid, including a retailer who sells from a vehicle, to obtain a retail tobacco permit in order to sell, possess, keep, acquire, distribute, or transport electronic smoking devices or e-liquid for retail sale;
- (2) Requires any entity that operates as a dealer or wholesaler and also sells electronic smoking devices or e-liquid to consumers at retail to acquire a separate retail tobacco permit;
- (3) Establishes the same tax requirements regarding vending machines of electronic smoking devices and e-liquid that are established regarding tobacco-based cigarettes and tobacco products;
- (4) Subjects electronic smoking devices and e-liquid unlawfully sold, possessed, kept, stored, acquired, distributed, or transported to seizure and forfeiture;

- (5) Establishes unspecified excise taxes on disposable electronic smoking devices and e-liquid with nicotine sold by a wholesaler or dealer on or after January 1, 2017, whether or not sold at wholesale, or if not sold, then at the same rate upon the use by the wholesaler or dealer;
- (6) Requires retail tobacco permittees to track and record their inventories of electronic smoking devices and e-liquid;
- (7) Requires wholesalers and dealers of electronic smoking devices and e-liquid to keep a record of and file monthly returns and reports relating to their inventory, distributions, and costs of electronic smoking devices and e-liquid;
- (8) Subjects the foregoing records and returns and the premises of the retail sellers, dealers, and wholesalers of electronic smoking devices and e-liquid to inspection and examination by the Department of Taxation and the Attorney General;
- (9) Authorizes Department of Taxation to adopt administrative rules that provide a tobacco tax refund or credit to a licensee who has paid a tobacco tax on the distribution of electronic smoking devices or e-liquid that are shipped to a point outside the State for subsequent sale or use outside the State;
- (10) Defines “disposable electronic smoking device,” “electronic smoking device,” “e-liquid,” and “reusable electronic smoking device” in the State’s cigarette tax and tobacco tax law to facilitate the foregoing purposes; and
- (11) Amends the definitions of “dealer,” “retailer,” “sale,” “sold,” “wholesale price,” and “wholesaler” in the State’s cigarette tax and tobacco tax law to facilitate the foregoing purposes.

Your Committee received written comments in support of this measure from the Department of Health; University of Hawaii Cancer Center; American Lung Association in Hawaii; Hawaii Public Health Institute; and forty-six individuals. Your Committee received written comments in opposition to this measure from Empire Vapes, LLC; Vapor Etc.; Hawaii Vapers United Association; Volcano Fine Electronic Cigarettes; Logic Technology Development, LLC; Hawaii Smokers Alliance; and forty-six individuals. The Department of Taxation submitted comments on this measure.

Your Committee finds that the use of electronic smoking devices is increasing, while the electronic smoking device industry, along with the production of e-liquid, is growing rapidly. Your Committee also finds that electronic smoking devices are not harmless alternatives to combustible tobacco products, since they contain nicotine and low levels of carcinogens. Your Committee notes that toxicologists warn that e-liquids pose significant risks to public health, particularly to children.

Your Committee further finds that taxes on disposable electronic smoking devices and e-liquid are lower than the tax rates imposed on tobacco-based cigarettes and other tobacco products. Your Committee believes that given their potential health risks, disposable electronic smoking devices should not be a lower-priced alternative to tobacco products in Hawaii. Your Committee believes that the higher prices that result from higher taxes and regulations on disposable electronic smoking devices and e-liquid will encourage cessation, prevent youth initiation, and reduce use overall. Your Committee therefore believes that this measure is a prudent vehicle to promote public health.

Your Committee notes that as this measure moves forward, subsequent committees should consider clarifying amendments proposed by the Department of Taxation to assist with the administration and implementation of this tax.

Your Committee has amended this measure by changing its 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. 2691, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2691, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Inouye). Excused, 2 (Galuteria, Slom).

SCRep. 2809 Ways and Means on S.B. No. 3070

The purpose and intent of this measure is to establish annual standards for the grant appropriation process established under chapter 42F, Hawaii Revised Statutes.

More specifically, this measure establishes legislative policies to:

- (1) Make appropriations for grants during the regular session of each odd-numbered year for the ensuing fiscal biennium;
- (2) Appropriate moneys for not more than one grant for each grant recipient during a fiscal biennium; and
- (3) Place a low priority on requests to fund general and administrative expenses,

subject to the Legislature’s discretion to deviate from the policies.

Your Committee received written comments in support of this measure from the Moiliili Community Center Senior Center.

Your Committee received written comments on this measure from Hawaii Youth Services Network and Catholic Charities Hawaii.

Your Committee finds that it is necessary to provide clarity and guidance in the legislative grant program. Your Committee further finds that the legislative policies established by this measure will seek to create a more equitable distribution of funds and place a priority on direct 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. 3070, S.D. 1, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Dela Cruz, English, Galuteria, Harimoto, Taniguchi).

SCRep. 2810 Ways and Means on S.B. No. 2983

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist West Maui Investors, LLC, for permits, testing, construction, and post-construction management for Ukumehame reservoirs numbers two and three.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources.

Your Committee received written comments on this measure from the Department of Budget and Finance and the Department of the Attorney General.

Your Committee finds that this measure will assist the dam and reservoir owners by providing an economic means to upgrade their facilities to current safety standards. Your Committee further finds that the issuance of special purpose revenue bonds to West Maui Investors, LLC, is in the public interest and for the public health, safety, and general welfare.

Your Committee notes that the Department of the Attorney General raised concerns regarding the title of this measure and the Kehalani offsite retention basin. Specifically, the department is concerned that, as written, the bill does not make clear the relationship between the Ukumehame reservoirs and the Kehalani basin. As this measure continues forward, proponents of the measure should address this issue and recommend clarifying 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. 2983, 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 (Taniguchi).

SCRep. 2811 (Majority) Ways and Means on S.B. No. 3099

The purpose and intent of this measure is to provide for out-of-school enrichment and learning for children in grades kindergarten through twelve.

Specifically, this measure:

- (1) Establishes the Hawaii Three to Six Out-of-School Program;
- (2) Creates the Hawaii three to six out-of-school program revolving fund;
- (3) Provides a single funding source to fund after-school programs included in the Hawaii Three to Six Out-of-School Program; and
- (4) Appropriates \$9,000,000 in general funds for deposit into the Hawaii three to six out-of-school program revolving fund and authorizes the expenditure of those funds for the Hawaii Three to Six Out-of-School Program.

Your Committee received written comments in support of this measure from Hawaii Youth Services Network, the University of Hawaii at Manoa Place-based Afterschool Literacy Support, Hawaii Afterschool Alliance, High Tech Youth Network, Moiliili Community Center, Parents and Children Together, Pioneering Healthier Communities Honolulu, and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that approximately seventy-four per cent of all children in Hawaii are raised by working families and seventy-two per cent of parents surveyed in Hawaii agree that after-school programs help working parents retain their jobs by providing enrichment activities for their children during working hours. Further, thirty-nine per cent of all Hawaii children who are not enrolled in an after-school program would likely participate in one, if such an after-school program were available in the community. Your Committee recognizes the importance of after-school programs and finds that this measure will benefit both parents and children of Hawaii.

Your Committee further finds that this approach will more efficiently utilize resources that go towards after-school programming, better align with Department of Education objectives and strategic goals, and maximize opportunities for collaboration as students transition between grade levels.

Your Committee has amended this measure by changing the:

- (1) Proposed phased funding plan amounts to unspecified sums;
- (2) Appropriation amounts for the Hawaii Three to Six Out-of-School Program from \$9,000,000 to unspecified sums;
- (3) Means of funding from a revolving fund to a special fund; and
- (4) Effective date to July 1, 2050, 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. 3099, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3099, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, 1 (Slom). Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2812 Ways and Means on S.B. No. 2987

The purpose and intent of this measure is to address the allocation of transient accommodations tax revenues.

Specifically, this measure:

- (1) Makes permanent the annual allocation of \$103,000,000 of transient accommodations tax revenues to the counties; and
- (2) Establishes a state-county functions working group on July 1, 2022.

Your Committee received written comments in opposition to this measure from the Office of the Mayor of the County of Hawaii, Maui County Council, Hawaii State Association of Counties, a Maui County Councilmember, a Hawaii County Councilmember, and one individual. Your Committee received comments on this measure from the Department of Budget and Finance, Office of the Mayor of the City and County of Honolulu, and Tax Foundation of Hawaii.

Your Committee recognizes that Act 174, Session Laws of Hawaii 2014, temporarily increased the \$93,000,000 cap on the distribution of transient accommodations tax revenues to the counties to \$103,000,000 for fiscal years 2014–2015 and 2015–2016. Given that the counties have often asked for stability in funding, rather than allow the cap to be reduced back down to \$93,000,000, this measure makes the \$103,000,000 cap permanent. Your Committee also recognizes that the issue of state-county relations should be reviewed again in the future to determine if the transient accommodations tax revenue allocation should be changed. Your Committee therefore believes that the formation of a working group in 2022, as required by this measure, is suitable for this purpose.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 2987, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2987, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Taniguchi, Slom). Noes, none. Excused, 1 (Harimoto).

SCRep. 2813 Ways and Means on S.B. No. 2557

The purpose and intent of this measure is to expand the concussion educational program established under Act 197, Session Laws of Hawaii 2012, to include youth athletic activities for participants aged eleven to eighteen and to incorporate additional program requirements.

This measure also appropriates funds to implement the program and for concussion testing of high school student athletes.

Your Committee received written comments in support of this measure from the Hawaii Athletic Trainers' Association, Hawaii Chapter of the American Physical Therapy Association, and Hawaii High School Athletic Association. Your Committee received written comments on this measure from the Department of Education.

Your Committee finds that the program established under Act 197 successfully impacted the lives of over one hundred thousand student-athletes in Hawaii by ensuring that all high school coaches are concussion certified and student-athletes are protected by baseline testing. Your Committee further finds that this measure provides the needed expansion of and continued funding for that program.

Your Committee has amended this measure by:

- (1) Adding an appropriation for the Department of Education to implement the concussion awareness and management program for students who are eleven to thirteen years old; and
- (2) Changing the appropriation to the Department of Kinesiology and Rehabilitation Science of the University of Hawaii to an unspecified amount to further discussion on the matter.

Your Committee requests the advocates of this measure continue to work together to achieve a consensus on their suggested amendments 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 S.B. No. 2557, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2557, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2814 (Majority) Ways and Means on S.B. No. 2938

The purpose and intent of this measure is to increase the liquid fuel taxes, the motor vehicle registration fee, and the state motor vehicle weight tax.

This measure also appropriates funds out of the state highway fund for maintenance of the state highways program.

Your Committee received written comments in support of this measure from the Department of Transportation, Department of Taxation, BluePlanet Foundation, Hawaii Energy Policy Forum, and Subcontractors Association of Hawaii.

Your Committee received written comments on this measure from the Department of Land and Natural Resources, Tax Foundation of Hawaii, Building Industry Association-Hawaii, The Chamber of Commerce Hawaii, and one individual.

Your Committee finds that the Department of Transportation is tasked with providing a safe, efficient, and effective land transportation system for the movement of people and goods. The state highway system, however, has not kept pace with the State's growing economy, land use development patterns, and increased demand for travel. Your Committee further finds that unless tax and related revenues are increased, the State's roads will continue to deteriorate as the demand for travel continues to increase, while the costs to manage, construct, and administer the system increases. In contrast, an increase in tax and related revenues will provide safer

infrastructure enhancements for all users and will positively impact the department's ability to qualify state matching funds for the highway federal-aid program.

Your Committee has amended this measure by:

- (1) Specifying that the liquid fuel tax rates shall be the rates that were originally proposed in the measure as introduced, which are:
 - (A) 2 cents for each gallon of diesel oil;
 - (B) 2 cents for each gallon of gasoline or other aviation fuel sold for use in or used for airplanes;
 - (C) 19 cents for each gallon of liquid fuel other than diesel oil, aviation fuel, or alternative fuel, sold or used in the City and County of Honolulu, or sold in any county for ultimate use in the City and County of Honolulu;
 - (D) 19 cents for each gallon of liquid fuel other than diesel oil, aviation fuel, or alternative fuel, sold or used in the County of Hawaii, or sold in any county for ultimate use in the County of Hawaii;
 - (E) 19 cents for each gallon of liquid fuel other than diesel oil, aviation fuel, or alternative fuel, sold or used in the County of Maui, or sold in any county for ultimate use in the County of Maui; and
 - (F) 19 cents for each gallon of liquid fuel other than diesel oil, aviation fuel, or alternative fuel, sold or used in the County of Kauai, or sold in any county for ultimate use in the County of Kauai;
- (2) Specifying that the annual motor vehicle registration fee shall be \$76.50, and that \$71.50 of each fee collected shall be deposited into the state highway fund; and
- (3) Specifying that the annual state motor vehicle weight tax shall be:
 - (A) 2.75 cents per pound for vehicles up to and including four thousand pounds net weight;
 - (B) 3.00 cents per pound for vehicles over four thousand pounds up to and including seven thousand pounds net weight;
 - (C) 3.25 cents per pound for vehicles over seven thousand pounds up to and including ten thousand pounds net weight; and
 - (D) A flat rate of \$400 for vehicles over ten thousand pounds net weight.

Your Committee finds that, according to the Department of Taxation, the proposed increases in the liquid fuel tax, annual motor vehicle registration fee, and weight tax are expected to provide an additional \$71,300,000, for the state highway fund each year.

As affirmed by the record of votes of the members 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. 2938, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2938, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Chun Oakland, Dela Cruz, Riviere, Wakai). Noes, 1 (Slom). Excused, 1 (Harimoto).

SCRep. 2815 Ways and Means on S.B. No. 2561

The purpose and intent of this measure is to establish a rental housing strategy for the State.

More specifically, this measure:

- (1) Establishes a goal of developing or committing to the development of at least 22,500 affordable rental housing units ready for occupancy before the end of 2026;
- (2) Establishes a temporary special action team on affordable rental housing, within the Office of the Lieutenant Governor for administrative purposes to make recommendations to achieve the affordable rental housing goal; and
- (3) Makes an appropriation for the special action team on affordable rental housing.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority, Hawaii Housing Finance and Development Corporation, Chamber of Commerce Hawaii, Catholic Charities Hawaii, Faith Action for Community Equity Hawaii, Land Use Research Foundation of Hawaii, and one individual. The Governor's Coordinator on Homelessness submitted written comments on the measure.

Your Committee finds that Hawaii lacks affordable housing for its residents. It is projected that the State will require an additional 64,700 housing units by 2025 to meet projected long-term housing demands, of which 22,247 households of all income levels will require rental units. Many reasons contribute to the lack of affordable housing, including the poor rate of return for investments in affordable housing projects.

Your Committee believes that to solve this continuing and significant issue, all stakeholders involved must make a strong, united commitment to the goal of ensuring that the people of Hawaii have access to 22,500 affordable rental units by 2025. Your Committee also believes that it is necessary to establish a special action team that consists of those who are knowledgeable about affordable housing, and prepared not only to identify benchmarks for progress, but the barriers to progress and the possible solutions to overcome them, to ensure that the State achieves its housing goal.

Your Committee has amended this measure by:

- (1) Changing the family income categories specified for use by the special action team in establishing benchmarks for the development of affordable rental housing units by dividing the minimum family income category into additional, incremental categories ranging from thirty to sixty per cent of the area median income;

- (2) Authorizing the chair of the special action team to invite representatives of the housing advocacy community to become members of the team;
- (3) Changing the amount of the appropriation from \$100,000 to an unspecified amount; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committee notes that the proponents of this measure should continue working together to fine tune the measure's goals and definitions so that expectations for the special action team are clear.

As affirmed by the record of votes of the members 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. 2561, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2561, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Harimoto, Taniguchi).

SCRep. 2816 Ways and Means on S.B. No. 2387

The purpose and intent of this measure is to require public school students to undergo a physical examination before seventh grade.

Specifically, the measure:

- (1) Requires that commencing with the 2017-2018 school year, students receive a physical examination no earlier than twelve months before entering seventh grade;
- (2) Requires that written documentation from a licensed physician or advanced practice registered nurse be provided by the child to the appropriate school official showing the completion of the physical examination within the twelve-month time period;
- (3) Authorizes a student who has not received a physical examination to attend seventh grade on a provisional basis if the student's parent or guardian certifies that the student has an appointment to receive a physical examination; and
- (4) Requires the Department of Education to notify parents and guardians of students of the physical examination requirements as soon as practicable after students have left sixth grade.

Your Committee received written comments in support of this measure from American Academy of Pediatrics, Hawaii Primary Care Association, Hawaii Public Health Institute, and one individual.

Your Committee received written comments on this measure from one individual.

Your Committee finds that only students entering school for the first time, usually at the kindergarten level, are required to complete a physical examination. Your Committee further finds that many years can pass between kindergarten and a child's second physical examination, if any. Your Committee believes that an additional physical examination before a child enters the seventh grade may help to identify illnesses and preventable health issues and begin treatments or preventative therapies to encourage long term health and well-being.

It is the intent of your Committee that this measure not be construed to restrict students from attending school solely because the student has not yet completed a physical examination. It is the further intent of your Committee that this measure help to promote Department of Health initiatives to support healthy lifestyles, encourage family conversations on preventive health care, and promote the use of new federal health care initiatives to obtain low cost insurance. Your Committee also intends for this measure to support a coordinated approach to preventive health screenings across all public schools, rather than wellness initiatives that are implemented by schools on an ad hoc basis.

Your Committee requests that the Department of Health attempt to identify and use non-general funds for purposes of this measure.

Your Committee has amended this measure by:

- (1) Removing the provision that allows a child to attend school provisionally if the parents or guardians of the child certify that the child has an appointment for a physical examination;
- (2) Requiring the Department of Education to provide the notice of the physical examination requirement to the child's parents or guardians upon the child's entrance into sixth grade;
- (3) Requiring schools, no later than December 31 of each year, to compile a list of students who have not provided documentation of a physical examination and transmit that list to the Department of Health;
- (4) Requiring the Department of Health, no later than the end of the seventh grade school year, to contact the parents or guardians of students who did not submit documentation of a physical examination and provide:
 - (A) Information to assist those persons in obtaining the required examination; and
 - (B) Follow-up notice or consultations on the benefits of a healthy lifestyle and preventative health care and the availability of coverage under the federal Affordable Care Act or medicaid; and
- (5) Appropriating an unspecified amount of funds to the Department of Health to assist students attending seventh grade who have not provided documentation of a physical examination in obtaining a required physical examination and in receiving the follow-up notices or consultations.

As affirmed by the record of votes of the members 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. 2387, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2387, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Dela Cruz, English, Galuteria, Harimoto).

SCRep. 2817 Ways and Means on S.B. No. 3034

The purpose and intent of this measure is to propose an amendment to the Hawaii State Constitution to establish specific rights for crime victims.

Specifically, the measure:

- (1) Establishes certain constitutional rights for victims of crimes and surviving immediate family members of deceased crime victims, including the rights to be informed of, and be heard at, criminal proceedings, and to be informed of developments that may result in an offender's release;
- (2) Requires a court to ensure that a crime victim or surviving immediate family member is afforded the proposed rights in any court proceeding involving an offense against a victim;
- (3) Provides that a crime victim, their representative, surviving immediate family member, or an attorney for the State may assert and enforce the proposed rights;
- (4) Provides that a crime victim's exercise of the proposed rights shall not be grounds for dismissing any criminal proceeding or setting aside any conviction or sentence;
- (5) Provides that the proposed rights do not create any cause of action for compensation or damages against the State or any of its political subdivisions, or any employees of the State or any of its political subdivisions;
- (6) Authorizes the Legislature to enact substantive and procedural laws to further define, implement, and protect the proposed rights; and
- (7) Provides that none of the proposed constitutional rights shall be construed to supersede the constitutional rights of any accused person or adjudicated offender.

Your Committee received written comments in support of this measure from the Crime Victim Compensation Commission, Department of the Attorney General, Department of Public Safety, Hawaii State Commission on the Status of Women, Hawaii State Ethics Commission, Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Mayor of the County of Maui, Office of the Prosecuting Attorney of the County of Kauai, American Association of University Women - Hawaii, The Children's Alliance of Hawaii, Hawaii State Coalition Against Domestic Violence, Louis Pohl Gallery, Marsy's Law Hawaii, Maui Search and Rescue, Missing Child Center Hawaii, Mothers Against Drunk Driving - Hawaii, Mothers Against Drunk Driving - National Office, Parents and Children Together, The Sex Abuse Treatment Center, Visitor Aloha Society of Hawaii Island, and fifty-seven individuals.

Your Committee received written comments in opposition to this measure from the Department of the Prosecuting Attorney of the County of Maui.

Your Committee finds that Hawaii is one of eighteen states that have not established constitutional protections for crime victims. If ratified, this measure will provide constitutional rights for crime victims and surviving immediate family members and ensure that those rights are protected and may be enforced, without diminishing the rights of persons accused of crimes.

Your Committee notes that the Legislative Reference Bureau has raised technical issues regarding the measure's vague or ambiguous wording, including, for example: possible conflicts between release of information concerning developments relating to the status of persons involuntarily hospitalized and the privacy rights of those persons; and the enumeration of escape as a planned change in custody status of which crime victims must be notified. Your Committee requests that the next committee to deliberate on this measure address these technical issues.

As affirmed by the record of votes of the members 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. 3034, 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, Harimoto).

SCRep. 2818 Commerce, Consumer Protection, and Health on Gov. Msg. No. 539

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF ELECTRICIANS AND PLUMBERS

G.M. No. 539 PETER AKAMU, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Peter Akamu to possess the requisite qualifications to be nominated to the Board of Electricians and Plumbers.

Your Committee received testimony in support of the nomination of Peter Akamu from the Department of Commerce and Consumer Affairs and International Brotherhood of Electrical Workers, Local Union No. 1186, AFL-CIO.

Upon review of the testimony, your Committee finds that Mr. Akamu'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 an electrician member. Your Committee notes that Mr. Akamu has been a licensed journey worker electrician since 1976, served as a foreman on

numerous projects over the years, and currently serves as the President of the International Brotherhood of Electrical Workers, Local Union No. 1186. Mr. Akamu's extensive experience in the electrical field has given him the opportunity to work closely with other construction trades and gain an excellent working knowledge of the State's overall building industry. Your Committee further finds that Mr. Akamu has served on the Board of Electricians and Plumbers since July 2011, including serving as the Board's current chair, and his years of experience in the electrical trade continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Akamu be reappointed to the Board of Electricians and Plumbers based on his knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2819 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 540 and 541

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF PRIVATE DETECTIVES AND GUARDS

G.M. No. 540 ALBERT DENIS, for a term to expire 06-30-2016; and

G.M. No. 541 ALBERT DENIS, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Albert Denis 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 Albert Denis from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Mr. Denis' background, experience, and desire to contribute to the community qualify him for appointment and reappointment to the Board of Private Detectives and Guards as an industry member. Your Committee notes that Mr. Denis has over forty years' experience in the security industry, including over thirty years as a licensed private detective and principal guard, and is currently the President, principal guard, and detective licensee for his security company, Pacific Security Group, LLC. Mr. Denis previously served on the Board of Private Detectives and Guards from 1988 through 1996, including four years as Chair, and more recently participated with the passage and implementation of Act 208, Session Laws of Hawaii 2010, which established registration, instruction, training, and other requirements for private security guards and individuals acting in a guard capacity. Your Committee further finds that Mr. Denis has served as an interim appointee on the Board of Private Detectives and Guards since December 2015 and his extensive experience in the security industry and prior experience on the Board of Private Detectives and Guards continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Denis be appointed and reappointed to the Board of Private Detectives and Guards based on his knowledge, experience, and dedication to protecting consumers.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2820 Commerce, Consumer Protection, and Health on Gov. Msg. No. 547

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF NURSING

G.M. No. 547 TAMMIE NAPOLEON, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Tammie Napoleon to possess the requisite qualifications to be nominated to the State Board of Nursing.

Your Committee received testimony in support of the nomination of Tammie Napoleon from the Department of Commerce and Consumer Affairs and seven individuals.

Upon review of the testimony, your Committee finds that Dr. Napoleon'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 Dr. Napoleon has been a licensed registered nurse in Hawaii since 1998, an advanced practice registered nurse since 2007, and recently completed her doctorate of nursing practice. Dr. Napoleon has been a nursing educator since 2005, currently serves as an Associate Professor of Nursing and the Health Education Division Chair at Kauai Community College, and her experience in a variety of health care settings and perspective as a nursing educator will be a valuable asset to the State Board of Nursing. Your Committee further finds that Dr. Napoleon has served as an interim member of the Board since December 2015 and has a thorough understanding of the role and responsibilities of board members and therefore recommends that Dr. Napoleon be appointed to the State Board of Nursing based on her knowledge, professional experience, and dedication to serving the public.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2821 Commerce, Consumer Protection, and Health on Gov. Msg. No. 556

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF CERTIFICATION OF PUBLIC WATER SYSTEM OPERATORS

G.M. No. 556 GALEN SHIGETA, for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Galen Shigeta 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 Galen Shigeta from the Department of Health and one individual.

Upon review of the testimony, your Committee finds that Mr. Shigeta's background, experience, and dedication to serving his community qualify him for appointment to the Board of Certification of Public Water System Operators. Your Committee notes that Mr. Shigeta is presently employed as a Water Plant Operator for the County of Kauai's Department of Water and has gained extensive public water system experience as a Pipefitter for the County of Kauai. Your Committee further finds that Mr. Shigeta brings a valuable perspective to the Board as he provides field operation experience and insight. Your Committee therefore recommends that Mr. Shigeta be appointed to the Board of Certification of Public Water System Operators based on his experience, willingness to serve, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2822 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 557, 558, and 559

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE HAWAI'I HEALTH SYSTEMS CORPORATION

G.M. No. 557 DANIEL RICK, for a term to expire 06-30-2017;

G.M. No. 558 JULIETTE TULANG, for a term to expire 06-30-2017; and

G.M. No. 559 WAYNE KANEMOTO, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Daniel Rick, Juliette Tulang, and Wayne Kanemoto to possess the requisite qualifications to be nominated to the Board of Directors of the Hawai'i Health Systems Corporation.

DANIEL RICK

Your Committee received testimony in support of the nomination of Daniel Rick from the Hawai'i Health Systems Corporation.

Upon review of the testimony, your Committee finds that Mr. Rick's knowledge, background, and experience qualify him for appointment to the Board of Directors of the Hawai'i Health Systems Corporation as a member representing the western section of Hawaii. Your Committee notes that Mr. Rick is presently the owner of a physical therapy business in Kailua-Kona and continues to work as a registered physical therapist. Your Committee further finds that Mr. Rick served as a member of the Hawai'i Health Systems Corporation West Hawaii Regional Board from 2008 to 2014, where he demonstrated his commitment to his community's health care system, and his experience in health care as a physical therapist and business owner of a physical therapy clinic will continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Rick be appointed to the Board of Directors of the Hawai'i Health Systems Corporation based on his experience, background, and dedication to serving the community.

JULIETTE TULANG

Your Committee received testimony in support of the nomination of Juliette Tulang from the Hawai'i Health Systems Corporation; Hawai'i Health Systems Corporation, East Hawaii Regional Board; and ten individuals.

Upon review of the testimony, your Committee finds that Ms. Tulang's proven leadership, experience, and awareness of health care challenges in her community qualify her for appointment to the Board of Directors of the Hawai'i Health Systems Corporation as an at-large member. Your Committee notes that Ms. Tulang is presently the President of the Hilo Medical Center Foundation and has a wide variety of previous work experience, including working as the Director of the Department of Parks and Recreation for the County of Hawaii. Your Committee further finds that Ms. Tulang has an awareness and understanding of the balance between quality health care and financial resources, which stems from her understanding of the legislative process of policy development. Your Committee

therefore recommends that Ms. Tulang be appointed to the Board of Directors of the Hawai'i Health Systems Corporation based on her leadership skills, background, and dedication to serving the community.

WAYNE KANEMOTO

Your Committee received testimony in support of the nomination of Wayne Kanemoto from the Hawai'i Health Systems Corporation; Hawai'i Health Systems Corporation, East Hawaii Regional Board; and three individuals.

Upon review of the testimony, your Committee finds that Mr. Kanemoto's background, experience, and commitment to serve qualify him for appointment to the Board of Directors of the Hawai'i Health Systems Corporation as a member representing the eastern section of Hawaii. Your Committee notes that Mr. Kanemoto is presently involved with Kanalani Enterprises, LLC, and has a variety of previous work experiences, including a distinguished career in education as a science teacher and as Principal of Laupāhoehoe High and Elementary School. Your Committee further finds that Mr. Kanemoto has demonstrated his commitment to improving health care throughout the east Hawaii region as Vice Chair and in other roles on the Hawai'i Health Systems Corporation East Hawaii Regional Board. Your Committee therefore recommends that Mr. Kanemoto be appointed to the Board of Directors of the Hawai'i Health Systems Corporation based on his proven leadership, background, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2823 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 560 and 561

Recommending that the Senate advise and consent to the nominations of the following:

DISABILITY AND COMMUNICATION ACCESS BOARD

G.M. No. 560 COLIN WHITED, for a term to expire 06-30-2019; and

G.M. No. 561 WILLIAM BOW, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Colin Whited and William Bow to possess the requisite qualifications to be nominated to the Disability and Communication Access Board.

COLIN WHITED

Your Committee received testimony in support of the nomination of Colin Whited from the Disability and Communication Access Board and one individual.

Upon review of the testimony, your Committee finds that Mr. Whited's background and dedication to serving the community qualify him for appointment to the Disability and Communication Access Board. Your Committee notes that Mr. Whited is presently a Deaf and Hard of Hearing Project Specialist at the Pacific Disabilities Center of the University of Hawaii John A. Burns School of Medicine, where he focuses on planning and projects to enhance the deaf and hard of hearing community. Your Committee further finds that Mr. Whited has been involved with several organizations at the local level, including the Aloha State Association of the Deaf, Hawaii School for the Deaf and the Blind School Community Council, and Georgia E. Morikawa Center, and has served on the Disability and Communication Access Board as an interim appointment since November 2015. Your Committee therefore recommends that Mr. Whited be appointed to the Disability and Communication Access Board based on his experience, interest in disability access laws, and dedication to public service.

WILLIAM BOW

Your Committee received testimony in support of the nomination of William Bow from the Disability and Communication Access Board and three individuals.

Upon review of the testimony, your Committee finds that Mr. Bow's experience, willingness to serve the community, and background qualify him for appointment to the Disability and Communication Access Board. Your Committee notes that Mr. Bow is presently the President of Bow Engineering and Development, Inc., and has been practicing as a licensed civil engineer for forty years. Your Committee further finds that Mr. Bow has designed many projects that require knowledge of the Americans with Disabilities Act Accessibility Guidelines, including projects at Waiakea Boat Launch, Port Allen Small Boat Harbor, and Nawiliwili Small Boat Harbor, and has served on the Disability and Communication Access Board as an interim appointment since November 2015. Your Committee therefore recommends that Mr. Bow be appointed to the Disability and Communication Access Board based on his knowledge of engineering, experience, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2824 Commerce, Consumer Protection, and Health on Gov. Msg. No. 546

Recommending that the Senate advise and consent to the nomination of the following:

REAL ESTATE COMMISSION

G.M. No. 546 AILEEN WADA, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Aileen Wada to possess the requisite qualifications to be nominated to the Real Estate Commission.

Your Committee received testimony in support of the nomination of Aileen Wada from the Real Estate Commission and four individuals.

Upon review of the testimony, your Committee finds that Ms. Wada's background, experience, and proven leadership on the Real Estate Commission qualify her for reappointment to the Real Estate Commission as a real estate broker member representing the City and County of Honolulu. Your Committee notes that Ms. Wada has been a licensed real estate agent since 1978, has maintained her real estate broker's license since 1979, and has been a realtor with Locations LLC for over thirty years. Ms. Wada is also a member of the Hawaii Association of REALTORS and the Honolulu Association of REALTORS and serves on the board of directors of two associations of apartment owners on Oahu. Your Committee further finds that Ms. Wada has been a member of the Real Estate Commission since 2011, currently serves as the Vice Chairperson of the Commission's Education Review Committee, and has a keen understanding of the issues that come before the Commission. Your Committee therefore recommends that Ms. Wada be reappointed 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, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2825 Commerce, Consumer Protection, and Health on Gov. Msg. No. 545

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I MEDICAL BOARD

G.M. No. 545 KAREN SEPT, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Karen Sept to possess the requisite qualifications to be nominated to the Hawaii Medical Board.

Your Committee received testimony in support of the nomination of Karen Sept from the Department of Commerce and Consumer Affairs, Hawaii Association of Osteopathic Physicians and Surgeons, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Sept's background, experience, and proven leadership on the Hawaii Medical Board qualify her for reappointment to the Hawaii Medical Board as an osteopathic physician member. Your Committee notes that Dr. Sept has been teaching osteopathic physicians and osteopathic medical students and residents for thirty years and has been licensed in Hawaii since 1994. Dr. Sept has been in private practice in osteopathic manipulative medicine in Kailua, Oahu, for nearly ten years and previously served in a variety of educational roles in Hawaii and on the mainland, including Adjunct Assistant Clinical Professor, Lecturer, Clinical Preceptor, and Instructor. Your Committee further finds that Dr. Sept has been a member of the Hawaii Medical Board since July 2011 and her extensive experience as an osteopathic physician continues to be an asset to the Board. Your Committee therefore recommends that Dr. Sept be reappointed to the Hawaii Medical Board based on her knowledge, background, and commitment to protecting the public.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2826 Commerce, Consumer Protection, and Health on Gov. Msg. No. 542

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PROFESSIONAL ENGINEERS, ARCHITECTS, SURVEYORS, AND LANDSCAPE ARCHITECTS

G.M. No. 542 BENEDICT LEE, for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Benedict Lee to possess the requisite qualifications to be nominated to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects.

Your Committee received testimony in support of the nomination of Benedict Lee from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Lee'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 landscape architect. Your Committee notes that Mr. Lee has been a practicing landscape architect for thirty-five years and has been the Principal at his company, Brownlie & Lee, since its organization in 1988. Mr. Lee has also been involved in a wide range of residential,

commercial, and recreational projects in the public and private sectors over his career; is registered as a landscape architect in Hawaii, Guam, and the Commonwealth of the Northern Mariana Islands; and is a certified arborist. Your Committee finds that Mr. Lee has a thorough understanding of the role and responsibilities of board members and his work on projects designed to incorporate Leadership in Energy and Environmental Design principles will bring a valuable sustainable building perspective to the Board. Your Committee therefore recommends that Mr. Lee be appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his knowledge, experience, and commitment to community service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2827 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 543 and 544

Recommending that the Senate advise and consent to the nominations of the following:

ELEVATOR MECHANICS LICENSING BOARD

G.M. No. 543 JAMMIE GARCIA-PAAHANA, for a term to expire 06-30-2019; and

G.M. No. 544 STEVE TSUNEMOTO, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Jammie Garcia-Pa'ahana and Steve Tsunemoto to possess the requisite qualifications to be nominated to the Elevator Mechanics Licensing Board.

JAMMIE GARCIA-PA'AHANA

Your Committee received testimony in support of the nomination of Jammie Garcia-Pa'ahana from the Department of Commerce and Consumer Affairs; International Union of Elevator Constructors, Local Union No. 126, AFL-CIO; and ThyssenKrupp Elevator Americas.

Upon review of the testimony, your Committee finds Ms. Garcia-Pa'ahana's background, experience, and desire to contribute to the community qualify her for appointment to the Elevator Mechanics Licensing Board as a licensee member. Your Committee notes that Ms. Garcia-Pa'ahana has worked in the elevator construction industry since 2004 and has experience in numerous aspects of the elevator trade, including service and maintenance, construction, sales, and modernization. Ms. Garcia-Pa'ahana currently works at ThyssenKrupp Elevator and serves as treasurer for the International Union of Elevator Constructors, Local Union No. 126. Ms. Garcia-Pa'ahana is also active in her community and volunteered for four years with the State's Court-Appointed Special Advocates Program, formerly known as the Volunteer Guardian Ad Litem Program. Your Committee further finds that Ms. Garcia-Pa'ahana has a thorough understanding of the role and responsibilities of board members and recommends that Ms. Garcia-Pa'ahana be appointed to the Elevator Mechanics Licensing Board based on her knowledge, experience, and commitment to public service.

STEVE TSUNEMOTO

Your Committee received testimony in support of the nomination of Steve Tsunemoto from the Department of Commerce and Consumer Affairs and International Union of Elevator Constructors, Local Union No. 126, AFL-CIO.

Upon review of the testimony, your Committee finds that Mr. Tsunemoto's knowledge, background, and prior experience on the Elevator Mechanics Licensing Board qualify him for appointment to the Elevator Mechanics Licensing Board as a licensee member. Your Committee notes that Mr. Tsunemoto has been an elevator contractor for almost thirty years, and has worked in all aspects of the elevator trade, including construction, repair, and service. Mr. Tsunemoto has been a Service Technician for ThyssenKrupp Elevator since 1986, is the current President of the International Union of Elevator Constructors, Local Union No. 126, and is an instructor in the National Elevator Industry Apprenticeship Program. Your Committee further finds that Mr. Tsunemoto understands the role and responsibilities of board members by virtue of his previous experience on the Elevator Mechanics Licensing Board and his extensive experience in the industry will enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Tsunemoto be appointed to the Elevator Mechanics Licensing Board based on his background, experience, and commitment to serving the public.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2828 Commerce, Consumer Protection, and Health on Gov. Msg. No. 549

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF ACUPUNCTURE

G.M. No. 549 JONI KROLL, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Joni Kroll to possess the requisite qualifications to be nominated to the Board of Acupuncture.

Your Committee received testimony in support of the nomination of Joni Kroll from the Department of Commerce and Consumer Affairs, Institute of Clinical Acupuncture and Oriental Medicine, Hawai'i Oriental Medicine and Acupuncture Association, and two individuals.

Upon review of the testimony, your Committee finds that Dr. Kroll's background, experience, and dedication to serving her community qualify her for appointment to the Board of Acupuncture as a licensee member. Your Committee notes that Dr. Kroll has been a licensed acupuncturist in Hawaii since 1989 and has maintained a private practice in Kailua, Oahu, for twenty-seven years. Dr. Kroll is a leader in the Oriental Medicine and Acupuncture community and has previously served as the past President of the Hawaii Acupuncture Association and taught courses on safety and ethics at the Institute of Clinical Acupuncture and Oriental Medicine. Dr. Kroll also cofounded AcuPlan Hawaii, a nonprofit independent provider association. Your Committee further finds that Dr. Kroll has served as an interim member and as an advisory committee member for the Board of Acupuncture and has a thorough understanding of the role and responsibilities of board members. Your Committee therefore recommends that Dr. Kroll be appointed to the Board of Acupuncture 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, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2829 Commerce, Consumer Protection, and Health on Gov. Msg. No. 548

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF PUBLIC ACCOUNTANCY

G.M. No. 548 JOHN ROBERTS, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds John Roberts to possess the requisite qualifications to be nominated to the State Board of Public Accountancy.

Your Committee received testimony in support of the nomination of John Roberts from the Department of Commerce and Consumer Affairs, Hawaii Association of Public Accountants, and eleven individuals.

Upon review of the testimony, your Committee finds that Mr. Roberts' background, knowledge, and desire to contribute to the community qualify him for appointment to the State Board of Public Accountancy as a licensed and actively practicing Certified Public Accountant member. Your Committee notes that Mr. Roberts has been a Certified Public Accountant for over twenty-three years and is currently a Principal and Management Consultant at Niwao & Roberts, CPAs, a Professional Corporation, in Wailuku, Maui. Mr. Roberts is committed to public service and has been an active member of several community and professional organizations, including the Hawaii Association of Public Accountants, where he has held a variety of leadership roles, including serving as past State President, past State Director, and as a committee chairperson for various committees. Mr. Roberts is also a former commissioner of the State of Hawaii Tax Review Commission, and is a Chartered Global Management Accountant and an American Institute of Certified Public Accountants Peer Reviewer. Your Committee further finds that Mr. Roberts has a thorough understanding of the role and responsibilities of board members and recommends that Mr. Roberts be appointed to the State Board of Public Accountancy based on his knowledge, extensive experience, and dedication to community service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2830 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 550 and 551

Recommending that the Senate advise and consent to the nominations of the following:

PEST CONTROL BOARD

G.M. No. 550 SCOTT AI, for a term to expire 06-30-2016; and

G.M. No. 551 SCOTT AI, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Scott Ai to possess the requisite qualifications to be nominated to the Pest Control Board.

Your Committee received testimony in support of the nomination of Scott Ai from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Ai's background and commitment to public service qualify him for appointment and reappointment to the Pest Control Board as a public member. Your Committee notes that Mr. Ai's background is in construction, where he has worked in a management capacity for specialty construction companies for more than twenty years and currently serves as the Vice President of Estimating for Beachside Roofing, LLC. Mr. Ai has experience with multiple boards by virtue of his service as the past President and current Vice President for the Roofing Contractors Association of Hawaii, serving as a member of various trust fund boards for the Roofer's Union, Local 221, and his current service as President of his association of apartment

owners. Your Committee further finds that Mr. Ai has served as an interim member since January 2016 and has a thorough understanding of the role and responsibilities of board members. Your Committee therefore recommends that Mr. Ai be appointed and reappointed to the Pest Control Board based on his knowledge, experience, and dedication to serving his community.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2831 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 552, 553, 554, and 555

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF CERTIFICATION OF OPERATING PERSONNEL IN WASTEWATER TREATMENT PLANTS

G.M. No. 552 KEVIN NAKAMURA, for a term to expire 06-30-2019;

G.M. No. 553 LOREN TANIGAWA, for a term to expire 06-30-2019;

G.M. No. 554 ROGER BABCOCK, for a term to expire 06-30-2019; and

G.M. No. 555 VIRGILIO VIERNES, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Kevin Nakamura, Loren Tanigawa, Roger Babcock, and Virgilio Viernes to possess the requisite qualifications to be nominated to the Board of Certification of Operating Personnel in Wastewater Treatment Plants.

KEVIN NAKAMURA

Your Committee received testimony in support of the nomination of Kevin Nakamura from the Department of Health.

Upon review of the testimony, your Committee finds that Mr. Nakamura's knowledge, background, and proven leadership on the Board of Certification of Operating Personnel in Wastewater Treatment Plants qualify him for reappointment to the Board as the Hawaii Water Environment Association representative. Your Committee notes that Mr. Nakamura is presently an Environmental Health Specialist with the Department of Health where he is responsible for safeguarding public health through prevention, abatement, and control of noise pollution in the State. Mr. Nakamura has also been a licensed wastewater treatment Plant Operator for the past twenty-five years and has a wide variety of previous work experience in the field of wastewater treatment as a wastewater treatment plant operator, supervisor, and superintendent. Your Committee further finds that Mr. Nakamura's passion to protect the State's precious resources and past experiences in wastewater treatment operations will continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Nakamura be reappointed to the Board of Certification of Operating Personnel in Wastewater Treatment Plants, as an individual from the Department of Health, based on his background, experience, and dedication to serving the community.

LOREN TANIGAWA

Your Committee received testimony in support of the nomination of Loren Tanigawa from the Department of Health and four individuals.

Upon review of the testimony, your Committee finds that Mr. Tanigawa's experience, background, and proven leadership on the Board of Certification of Operating Personnel in Wastewater Treatment Plants qualify him for reappointment to the Board as the Kauai County representative. Your Committee notes that Mr. Tanigawa is presently the Head Operator at the Wailua Wastewater Treatment Plant in Lihue and holds a grade IV wastewater treatment plant operator certificate. Your Committee further finds that with over ten years of experience in the field of wastewater treatment, Mr. Tanigawa's background allows him to better understand the challenges of the profession when assisting with training and teaching future wastewater treatment plant operators. Your Committee therefore recommends that Mr. Tanigawa be reappointed to the Board of Certification of Operating Personnel in Wastewater Treatment Plants based on his experience, knowledge, and dedication to serving the community.

ROGER BABCOCK

Your Committee received testimony in support of the nomination of Roger Babcock from the Department of Health and three individuals.

Upon review of the testimony, your Committee finds that Mr. Babcock's experience, background, and proven leadership on the Board of Certification of Operating Personnel in Wastewater Treatment Plants qualify him for reappointment to the Board as the engineering faculty member. Your Committee notes that Mr. Babcock is presently an associate professor in the College of Engineering at the University of Hawaii, specializing in wastewater treatment, disposal, and recycling. Mr. Babcock also serves on several other professional and community boards, including the American Society of Civil Engineers, Hawaii Water Environment Association, and Mililani Town Association. Your Committee further finds that because Mr. Babcock has served on the Board from 1997 to 2003 and 2011 to 2015, he is familiar with how the Board functions in serving the public and wastewater operators in the State. Your Committee therefore recommends that Mr. Babcock be reappointed to the Board of Certification of Operating Personnel in Wastewater Treatment Plants, as a member of the engineering faculty of a university or college in the State, based on his background, experience, and dedication to serving the community.

VIRGILIO VIERNES

Your Committee received testimony in support of the nomination of Virgilio Viernes from the Department of Health and two individuals.

Upon review of the testimony, your Committee finds that Mr. Viernes's experience, background, and proven leadership on the Board of Certification of Operating Personnel in Wastewater Treatment Plants qualify him for reappointment to the Board as the Maui County representative. Your Committee notes that Mr. Viernes is presently a Wastewater Treatment Operations Manager for Maui County's Department of Environmental Management and holds a grade IV wastewater treatment plant operator certificate. Mr. Viernes also has experience as a nuclear propulsion plant mechanical operator for the United States Navy. Your Committee further finds that Mr. Viernes has served on the Board since 2010 and has continued his involvement in the field of wastewater treatment operations, and is dedicated to enhancing the wastewater treatment industry. Your Committee therefore recommends that Mr. Viernes be reappointed to the Board of Certification of Operating Personnel in Wastewater Treatment Plants based on his background, experience, and dedication to serving the community.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2832 Water, Land, and Agriculture on S.C.R. No. 17

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (1) 8-4-005: seaward of 002, Makaha, Waianae, Oahu, for the repair and maintenance of the existing seawall and the use, repair, and maintenance of the existing improvements constructed thereon, 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 Ho'omana Pono, LLC.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on January 11, 2013, the Board of Land and Natural Resources approved a grant of a fifty-five year non-exclusive easement to resolve the encroachment of the existing seawall identified in this measure, subject to certain conditions. Your Committee concludes that the easement is necessary for the use, repair, and maintenance of the existing seawall and improvements constructed thereon.

Your Committee has amended this measure by:

- (1) Specifying that the grantee is required to pay \$7,351 for the entire three hundred twenty-one foot encroachment area, as consideration for the use of public lands, rather than the fair market value of the additional encroachment area to be determined by an independent appraisal; and
- (2) Making technical, nonsubstantive amendments, including in the title, for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 17, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 17, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2833 Water, Land, and Agriculture on S.C.R. No. 18

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (1) 1-5-041: portions of 006, Sand Island, Oahu, for the use, maintenance, improvement, and replacement of the existing floating dock constructed thereon, 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; University of Hawai'i School of Ocean and Earth Science and Technology; and Ho'omana Pono, LLC.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on September 25, 2015, the Board of Land and Natural Resources approved a grant of a sixty-five year lease which includes a non-exclusive easement to resolve the encroachment of the floating dock identified in this measure. Your Committee concludes that the easement is necessary for the use, repair, maintenance, improvement, and replacement of the existing floating dock.

Your Committee has amended this measure by making technical, nonsubstantive amendments, including to the title, for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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 that it be referred to your Committee on Ways and Means, 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, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2834 Water, Land, and Agriculture on S.C.R. No. 19

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (4) 2-6-012: seaward of 001, Kukuiula, Koloa, Kauai, for the maintenance and repair of the existing rock seawall and the use, maintenance, and repair of the existing improvements constructed thereon, 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 Ho‘omana Pono, LLC.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on November 14, 2014, the Board of Land and Natural Resources approved a grant of a fifty-five year non-exclusive easement to resolve the encroachment of the rock seawall identified in this measure, subject to certain conditions. Your Committee concludes that the easement is necessary for the use, repair, and maintenance of the existing rock seawall and improvements constructed thereon.

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, Land, and Agriculture 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 your 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, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2835 Water, Land, and Agriculture on S.C.R. No. 15

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (1) 4-5-001: seaward of 018, Kaneohe, Koolaupoko, Oahu, for the maintenance, repair of the existing pier, and the use, repair, and maintenance of the existing improvements constructed thereon, 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 Ho‘omana Pono, LLC.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on June 26, 2015, the Board of Land and Natural Resources approved a grant of a fifty-five year non-exclusive easement to resolve the encroachment of the pier identified in this measure, subject to certain conditions. Your Committee concludes that the easement is necessary for the use, repair, and maintenance of the existing pier.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2836 Water, Land, and Agriculture on S.C.R. No. 16

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (1) 3-6-001: seaward of 042, Waikiki, Honolulu, Oahu, for the maintenance and repair of the existing seawall and steps and the use, repair, and maintenance of the existing improvements constructed thereon, 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 Ho‘omana Pono, LLC.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on April 10, 2015, the Board of Land and Natural Resources approved a grant of a fifty-five year non-exclusive easement to resolve the encroachment of the existing seawall and steps identified in this measure, subject to certain conditions. Your Committee concludes that the easement is necessary for the use, repair, and maintenance of the existing seawall and steps and improvements constructed thereon.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2837 Water, Land, and Agriculture on S.C.R. No. 7

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property fronting Apartments A and B of the 1688 Halama Street Condominium, also identified as tax map key: (2) 3-9-11:8 (Parcel 8), situated in Waiohuli-Keokea (Kihei), Wailuku, Maui, for the use, maintenance, and repair of the existing seawall constructed thereon, 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; Ho‘omana Pono, LLC; and Merchant Horovitz LLC.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution.

Your Committee further finds that the Board of Land and Natural Resources approved a perpetual easement for Parcel 8 on August 10, 1990. The easement was appraised as of September 30, 1991, and the owner paid the appraised value and administrative costs on June 23, 1992. However, the formal easement document was never finalized for unknown reasons. The parcels were subsequently sold and the new owners submitted a request for formal approval of the easement on January 22, 2015. On May 8, 2015, the Board of Land and Natural Resources approved the formal granting of the portion of the easement fronting Parcel 8, for a term of sixty-five years, commencing August 10, 1990, subject to certain conditions. Your Committee concludes that the easement is necessary for the use, repair, and maintenance of the existing seawall.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 7 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2838 Water, Land, and Agriculture on S.C.R. No. 9

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (1) 4-6-003: seaward of 007, Heeia, Koolaupoko, Oahu, for the use, maintenance, and repair of the existing boat dock constructed thereon, 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 Ho‘omana Pono, LLC.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on December 9, 2010, the Board of Land and Natural Resources approved an amendment of a new fifty-five year non-exclusive easement to resolve the encroachment of the boat dock fronting the property identified in this measure. Your Committee concludes that the easement is necessary for the use, repair, and maintenance of the existing boat dock.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2839 Water, Land, and Agriculture on S.C.R. No. 10

The purpose and intent of this measure is to approve the sale of the leased fee interest in 41-648 Inoaole Street, Waimanalo, Hawaii, pursuant to section 171-64.7, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Ho‘omana Pono, LLC; and one individual. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Hawaii Housing Finance and Development Corporation is seeking legislative approval to sell the leased fee interest in 41-648 Inoaole Street to its current leasehold owner. The property at 41-648 Inoaole Street is a single family home built in 1975 as part of Hale Aupuni, a 190- unit affordable for-sale housing development. The fair market value of the leased fee interest in 41-648 Inoaole Street was determined to be \$123,300 as of April 10, 2015, by the Corporation’s appraiser, Harlin Young & Co, Ltd. The Corporation has met all statutory prerequisites to request approval of the sale of this parcel.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2840 Water, Land, and Agriculture on S.C.R. No. 11

The purpose and intent of this measure is to approve the sale of the leased fee interest in 47-394 Keohapa Place, Kaneohe, Hawaii, pursuant to section 171-64.7, Hawaii Revised Statutes.

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 testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Hawaii Housing Finance and Development Corporation (Corporation) is seeking legislative approval to sell the leased fee interest in 47-394 Keohapa Place to its current leasehold owner. The property at 47-394 Keohapa Place is a single family home built in 1975 as part of the Hui Koolau project. The fair market value of the leased fee interest in 47-394 Keohapa Place was determined to be \$280,000 as of April 9, 2015, by Matsunami Appraisals, Inc. The Corporation has met all statutory prerequisites to request approval of the sale of this parcel.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 11 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2841 Water, Land, and Agriculture on S.C.R. No. 14

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for a portion of state submerged lands fronting the property identified as tax map key: (1) 5-4-003: seaward of 035, Kaipapau, Koolauloa, Oahu, for the use, maintenance, and repair of the existing rock seawall constructed thereon, 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.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on July 10, 2015, the Board of Land and Natural Resources approved a grant of a fifty-five year non-exclusive easement to resolve the encroachment of the rock seawall identified in this measure, subject to certain conditions. Your Committee concludes that the easement is necessary for the use, repair, and maintenance of the existing rock seawall.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2842 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 562 and 563

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, HAWAII COUNTY SUBAREA

G.M. No. 562 HAROLD WALLACE, for a term to expire 06-30-2019; and

G.M. No. 563 SHEILA NICHOLAS-SMITH, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Harold Wallace and Sheila Nicholas-Smith to possess the requisite qualifications to be nominated to the Health Planning Council, Hawaii County Subarea.

HAROLD WALLACE

Your Committee received testimony in support of the nomination of Harold Wallace from the Department of Health, Hawaii Primary Care Association, and nine individuals.

Upon review of the testimony, your Committee finds that Mr. Wallace's experience, background, and proven leadership qualify him for appointment to the Health Planning Council, Hawaii County Subarea. Your Committee notes that Mr. Wallace is presently the Chief Executive Officer of Bay Clinic, Inc., the largest federally qualified health center on Hawaii island and only federally qualified health center that services east and south Hawaii island, and has previous work experience as a health care executive in leading operational improvements in a variety of health care organizations, including for-profit and not-for-profit integrated delivery systems, hospital systems, health center services, physician organizations, and managed care plans. Your Committee further finds that Mr. Wallace's proven record of working with governing boards, physicians, administrative leaders, and others will enhance the effectiveness of the Health Planning Council, Hawaii County Subarea. Your Committee therefore recommends that Mr. Wallace be appointed to the Health Planning Council, Hawaii County Subarea, based on his leadership, experience, and dedication to his profession and public service.

SHEILA NICHOLAS-SMITH

Your Committee received testimony in support of the nomination of Sheila Nicholas-Smith from the Department of Health.

Upon review of the testimony, your Committee finds that Ms. Nicholas-Smith's background, experience, and dedication to serving her community qualify her for reappointment to the Health Planning Council, Hawaii County Subarea. Your Committee notes that Ms. Nicholas-Smith is presently the Director of Operations and Director of Home Programs for Liberty Dialysis Hawaii, and is a nationally certified massage therapist, working in the community to promote health and disease prevention. Your Committee further finds that Ms. Nicholas-Smith's background in health care administration and active participation on the Health Planning Council, Hawaii County Subarea, reflect qualities of an individual who is fully qualified to advocate for the public interest as a member of the

Council. Your Committee therefore recommends that Ms. Nicholas-Smith be reappointed to the Health Planning Council, Hawai'i County Subarea, based on her experience, background, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2843 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 564 and 565

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, KAUA'I SUBAREA

G.M. No. 564 BRIAN CARTER, for a term to expire 06-30-2019; and

G.M. No. 565 DEANNA STARINIERI, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Brian Carter and Deanna Starinieri to possess the requisite qualifications to be nominated to the Health Planning Council, Kaua'i Subarea.

BRIAN CARTER

Your Committee received testimony in support of the nomination of Brian Carter from the Department of Health and one individual.

Upon review of the testimony, your Committee finds that Mr. Carter's background, knowledge, and proven experience qualify him for reappointment to the Health Planning Council, Kaua'i Subarea. Your Committee notes that Mr. Carter is presently a Managing Pharmacist and Partner at Westside Pharmacy in Hanapēpē on the island of Kaua'i. Mr. Carter also champions a healthy and active lifestyle through his involvement as Race Director for the TriKauai triathlon series. Your Committee further finds that Mr. Carter's background as a pharmacist and active participation on the Health Planning Council, Kaua'i Subarea, continues to enhance the effectiveness of the Council. Your Committee therefore recommends that Mr. Carter be reappointed to the Health Planning Council, Kaua'i Subarea, based on his background, dedication to his profession, and commitment to public service.

DEANNA STARINIERI

Your Committee received testimony in support of the nomination of Deanna Starinieri from the Department of Health and three individuals.

Upon review of the testimony, your Committee finds that Ms. Starinieri's background, experience, and dedication to serving her community qualify her for reappointment to the Health Planning Council, Kaua'i Subarea. Your Committee notes that Ms. Starinieri is presently a Staff Registered Nurse at Kaua'i Adult Day Health Center, and has over forty years of experience in the nursing field, including as Nurse Manager at Liberty Dialysis West Kaua'i Facility, Director of Operations at Liberty Dialysis Kaua'i and West Kaua'i Facilities, and Facility Manager at St. Francis Medical Center Kaua'i Dialysis. Your Committee further finds that Ms. Starinieri's background in nursing and as a Healing Touch Practitioner brings valuable insight to the Health Planning Council, Kaua'i Subarea. Your Committee therefore recommends that Ms. Starinieri be reappointed to the Health Planning Council, Kaua'i Subarea, based on her background, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2844 Water, Land, and Agriculture on Gov. Msg. Nos. 501, 502, 503, and 504

Recommending that the Senate advise and consent to the nominations of the following:

ADVISORY COMMITTEE ON PESTICIDES

G.M. No. 501 ARNOLD HARA, for a term to expire 06-30-2019;

G.M. No. 502 JON-PAUL BINGHAM, for a term to expire 06-30-2019;

G.M. No. 503 PATRICK BILY, for a term to expire 06-30-2019; and

G.M. No. 504 ROGER BREWER, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Arnold Hara, Jon-Paul Bingham, Patrick Bily, and Roger Brewer to possess the requisite qualifications to be nominated to the Advisory Committee on Pesticides.

ARNOLD HARA

Your Committee received testimony in support of the nomination of Arnold Hara from the Department of Agriculture, Big Island Invasive Species Committee, Maui Invasive Species Committee, Hawai'i Farm Bureau, Maui County Farm Bureau, and fifteen individuals.

Upon review of the testimony, your Committee finds that Dr. Hara's experience as a professor and entomologist, commitment to public service, and proven leadership qualify him for appointment to the Advisory Committee on Pesticides. Your Committee notes that Dr. Hara has been with the Department of Plant and Environmental Sciences at the University of Hawaii for over thirty-three years focusing on insect and mite pests of agricultural and floricultural crops, elucidating the bionomics of these pests, and developing pest management programs that minimize the use of chemical pesticides. Some of Dr. Hara's research accomplishments include the development of heat treatments to control quarantine pests, including the invasive coqui frog. Dr. Hara is a member of the Entomological Society of America, American Chemical Society, Hawaiian Entomological Society, and American Society for Horticultural Science, and has received many awards and published over seventy research papers in national and international journals on pesticides and nonchemical controls of invasive species. Your Committee further finds that Dr. Hara has been appointed to the Advisory Committee on Pesticides as a representative of the Hawai'i Farm Bureau Federation based on his knowledge, experience, and commitment to public service.

JON-PAUL BINGHAM

Your Committee received testimony in support of the nomination of Jon-Paul Bingham from the Maui County Farm Bureau and five individuals.

Upon review of the testimony, your Committee finds that Dr. Bingham's experience as a biochemist and toxicologist, specializing in marine toxins, commitment to public service, and proven leadership qualify him for appointment to the Advisory Committee on Pesticides. Your Committee notes that Dr. Bingham has expertise in natural product pesticide development, has worked to understand cone shell toxins and convert them into pain killing drugs, and was involved in the development of the drug Prialt, an analgesic used to treat severe chronic pain, for human use. Dr. Bingham is a member of the American Peptide Society, American Chemical Society, International Society on Toxinology, Malacological Society of Australasia, and Federation of Clinical Biochemists. Your Committee further finds that Dr. Bingham has been appointed to the Advisory Committee on Pesticides as a representative of the University of Hawai'i College of Tropical Agriculture and Human Resources based on his knowledge, experience, and commitment to public service.

PATRICK BILY

Your Committee received testimony in support of the nomination of Patrick Bily from the Maui Invasive Species Committee, West Maui Mountains Watershed Partnership, The Nature Conservancy, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Bily's experience as an invasive plant specialist, commitment to public service, and proven leadership qualify him for appointment to the Advisory Committee on Pesticides. Your Committee notes that Mr. Bily has familiarity with general use pesticides and innovative methods of herbicide application, experience with herbicide use in natural areas, and knowledge of various standard herbicides and newer families of herbicides. Mr. Bily is currently working on innovative herbicide application techniques, with the goals of target specificity and reduction of overall herbicide quantity needed. Mr. Bily has experience working with various conservation and government agencies through partnerships, providing advice on best methods for control of priority weeds, and decades of experience working for The Nature Conservancy and Maui Invasive Species Committee. Your Committee further finds that Mr. Bily has been appointed to the Advisory Committee on Pesticides as a representative of an environmental organization based on his knowledge, experience, and commitment to public service.

ROGER BREWER

Your Committee received testimony in support of the nomination of Roger Brewer from the Department of Health and three individuals.

Upon review of the testimony, your Committee finds that Dr. Brewer's experience as a senior environmental scientist with the Department of Health, commitment to public service, and proven leadership qualify him for appointment to the Advisory Committee on Pesticides. Your Committee notes that Dr. Brewer has over twenty years of experience in oil and gas exploration, environmental site investigation, and human health and ecological risk assessment, including regulatory compliance audits, soil and groundwater investigations, quantitative human health risk assessments, and screening-level ecological risk characterizations. He oversaw the development of the Department of Health guidance for the investigation of pesticide contamination at former sugar cane operations across the State. Dr. Brewer is a member of the Interstate Technology and Regulatory Council team tasked with the development of national guidance on the use of Decision Unit and Incremental Sampling Methodology approaches for the investigation of contaminated sites. Your Committee further finds that Dr. Brewer has been appointed to the Advisory Committee on Pesticides as a representative of the Department of Health based on his knowledge, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

SCRep. 2845 Water, Land, and Agriculture on Gov. Msg. No. 505

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE AGRIBUSINESS DEVELOPMENT CORPORATION

GM. No. 505 LEILYN KOEV, for a term to expire 06-30-2019

Your Committee received testimony in support of the nomination of Leilyn Koev from the Department of Agriculture, the Agribusiness Development Corporation, and one individual.

Upon review of the testimony, your Committee finds that Ms. Koev's experience as a Co-Owner of Kawamata Farms, LLC; commitment to public service; and proven leadership qualify her for appointment to the Board of Directors of the Agribusiness Development Corporation. Your Committee notes that Ms. Koev has a long family history of farming in Hawaii, over ten years of experience in farm management that included addressing staffing, production, growing, and food safety issues, and prior experience in the tourism industry. Your Committee further finds that Ms. Koev has been appointed to the Board of Directors of the Agribusiness Development Corporation based on her knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

SCRep. 2846 Water, Land, and Agriculture on Gov. Msg. No. 506

Recommending that the Senate advise and consent to the nomination of the following:

KAHO'OLAWE ISLAND RESERVE COMMISSION

G.M. No. 506 JOSHUA KAAKUA, for a term to expire 06-30-2019

Your Committee received testimony in support of the nomination of Joshua Kaakua from the Kaho'olawe Island Reserve Commission, Aha Moku Advisory Committee, Protect Kaho'olawe Ohana, and thirteen individuals.

Upon review of the testimony, your Committee finds that Mr. Kaakua's experience as the Director of the University of Hawai'i at Manoa College of Engineering Native Hawaiian Science & Engineering Mentorship Program, commitment to public service, and proven leadership qualify him for appointment to the Kaho'olawe Island Reserve Commission. Your Committee notes that Mr. Kaakua is the Coordinator of the Minority Engineering Program at the University of Hawai'i at Manoa; has ten years of management experience planning, designing, and implementing collaborative, high performing, and results-oriented Native Hawaiian education programs within the University of Hawai'i System with a focus on science, technology, engineering, and mathematics; and has expertise in Native Hawaiian education, research and statistics, culture-based frameworks, pedagogy, and assessment. Your Committee further finds that Mr. Kaakua has been appointed to the Kaho'olawe Island Reserve Commission as a member of Protect Kaho'olawe Ohana based on his knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

SCRep. 2847 Water, Land, and Agriculture on Gov. Msg. Nos. 507, 508, and 509

Recommending that the Senate advise and consent to the nominations of the following:

LEGACY LAND CONSERVATION COMMISSION

G.M. No. 507 FREDERICK WARSHAUER, for a term to expire 06-30-2018;

G.M. No. 508 KANOE WILSON, for a term to expire 06-30-2018; and

G.M. No. 509 WENDY WILTSE, for a term to expire 06-30-2017

FREDERICK WARSHAUER

Your Committee received testimony in support of the nomination of Frederick Warshauer from the Department of Land and Natural Resources and two individuals.

Upon review of the testimony, your Committee finds that Mr. Warshauer's experience as a field biologist, commitment to public service, and proven leadership qualify him for appointment to the Legacy Land Conservation Commission. Your Committee notes that Mr. Warshauer has worked with native plants and vegetation throughout the State over the last forty-five years and worked in various roles for federal and local government, including as a Wildlife Biologist and Botanist for the United States Fish and Wildlife Service, a Coastal Zone Management Planner for the County of Hawaii, and Senior Research Associate for the United States Geological Survey, Pacific Islands Ecosystems Research Center. Your Committee further finds that Mr. Warshauer has been appointed to the Legacy Land Conservation Commission as a member possessing scientific qualifications as evidenced by an academic degree in wildlife or marine biology, botany, forestry, ecology, resource management, biogeography, zoology, or geology based on his knowledge, experience, and commitment to public service.

KANOE WILSON

Your Committee received testimony in support of the nomination of Kanoe Wilson from the Department of Land and Natural Resources, Oahu Economic Development Board, Keaukaha Community Association, and ten individuals.

Upon review of the testimony, your Committee finds that Ms. Wilson's experience as an Education Officer with Kamehameha Schools, commitment to public service, and proven leadership qualify her for appointment to the Legacy Land Conservation

Commission. Your Committee notes that Ms. Wilson has experience as a Land Legacy Education Specialist with the Aina Ulu Program and experience working at the Kipuka Native Hawaiian Student Center. She is a member of the North American Association for Environmental Education, Hawaii Environmental Educators Alliance, Native Hawaiian Education Association, First Nations' Futures Fellowship Network, Golden Key National Honor Society, Huliauapa'a Advisory Board, and Na Maka o Papahānaumokuākea Advisory Board, as well as a Consultant for Noho Papa and a Hawaiian cultural practitioner in hula and lua. Your Committee further finds that Ms. Wilson has been appointed to the Legacy Land Conservation Commission as a member knowledgeable about native Hawaiian culture based on her knowledge, experience, and commitment to public service.

WENDY WILTSE

Your Committee received testimony in support of the nomination of Wendy Wiltse from the Department of Land and Natural Resources and six individuals.

Upon review of the testimony, your Committee finds that Dr. Wiltse's experience as a marine ecologist, commitment to public service, and proven leadership qualify her for appointment to the Legacy Land Conservation Commission. Your Committee notes that Dr. Wiltse has worked on a wide range of environmental programs including research, pollution control, water conservation, habitat restoration, watershed protection, voluntary partnerships, algae blooms, erosion control, enforcement, and grant funding. She served as a member of the Maui Coral Reef Recovery Team; Hawaii Coral Reef Working Group; United States Coral Reef Task Force Steering Committee; Watershed Working Group; Climate Change and Ocean Acidification Working Group; and Injury and Mitigation Working Group; Hawaii Chapter Sierra Club; The Nature Conservancy; and as an advisor to the Maui Nui Marine Resource Council. Your Committee further finds that Dr. Wiltse has been appointed to the Legacy Land Conservation Commission as a member possessing scientific qualifications as evidenced by an academic degree in wildlife or marine biology, botany, forestry, ecology, resource management, biogeography, zoology, or geology based on her knowledge, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

SCRep. 2848 Water, Land, and Agriculture on Gov. Msg. Nos. 510 and 511

Recommending that the Senate advise and consent to the nominations of the following:

NATURAL AREA RESERVES SYSTEM COMMISSION

G.M. No. 510 ANGELA KAWELO, for a term to expire 06-30-2016; and

G.M. No. 511 ANGELA KAWELO, for a term to expire 06-30-2020

Your Committee received testimony in support of the nomination of Angela Kawelo from the Department of Land and Natural Resources and three individuals.

Upon review of the testimony, your Committee finds that Ms. Kawelo's experience as the Executive Director of Paepae o He'eia, background, and commitment to public service qualify her for appointment and reappointment to the Natural Area Reserves System Commission. Your Committee notes that Ms. Kawelo serves on the Board of Directors of Hui Ulu Mea 'Ai, as Secretary to Papahāna Kuaola, as Board President of Kua'āina Ulu 'Auamo, and on the Advisory Council of Sea Grant Hawai'i. In addition, Ms. Kawelo has a deep appreciation for Hawaii's natural resources and has experience as a steward of the He'eia fishpond. She will add a valuable native Hawaiian perspective to the Commission as it recommends areas for possible inclusion within the reserve system and establishes policies for the management and protection of these areas. Your Committee further finds that Ms. Kawelo has been appointed and reappointed to the Natural Area Reserves System Commission as a member possessing a background in native Hawaiian traditional and customary practices based on her knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Wakai, Slom).

SCRep. 2849 Economic Development, Environment, and Technology on Gov. Msg. No. 519

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE HAWAI'I STRATEGIC DEVELOPMENT CORPORATION

G.M. No. 519 CRAIG NAKANISHI, for a term to expire 06-30-2017

Your Committee received testimony in support of the nomination of Craig Nakanishi from the Hawai'i Strategic Development Corporation and four individuals.

Upon review of the testimony, your Committee finds that Mr. Nakanishi's experience as an attorney, commitment to public service, and proven leadership qualify him for appointment to the Board of Directors of the Hawai'i Strategic Development Corporation. Your Committee notes that Mr. Nakanishi has experience in the practice areas of energy, public utilities, and business and real property transactions. He is the Chairperson of the Board of Directors of the High Technology Development Corporation, Director of the Hawai'i Strategic Development Corporation, Director Emeritus and past President of Family Programs of Hawaii, and a member and past Director of the Rotary Club of Honolulu. Your Committee further finds that Mr. Nakanishi has previously been appointed to the

Board of Directors of the Hawai'i Strategic Development Corporation based on his knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, 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, 2 (Keith-Agaran, Ruderman).

SCRep. 2850 Economic Development, Environment, and Technology on Gov. Msg. Nos. 520, 521, and 522

Recommending that the Senate advise and consent to the nominations of the following:

COMMUNITY-BASED ECONOMIC DEVELOPMENT ADVISORY COUNCIL

G.M. No. 520 JOANN INAMASU, for a term to expire 06-30-2019;

G.M. No. 521 KALEOKALANI KURODA, for a term to expire 06-30-2019; and

G.M. No. 522 LYN MCNEFF, for a term to expire 06-30-2019

JOANN INAMASU

Your Committee received testimony in support of the nomination of JoAnn Inamasu from the Department of Business, Economic Development, and Tourism and Department of Transportation.

Upon review of the testimony, your Committee finds that Ms. Inamasu's experience as the Community Outreach Coordinator of Goodfellow Bros., Inc., commitment to public service, and proven leadership qualify her for appointment to the Community-Based Economic Development Advisory Council. Ms. Inamasu has prior experience that your Committee finds relevant to the position she is nominated to. Specifically, that experience includes work as the former Director of Business Operations of Maui Stingrays/Hawaii Winter Baseball, Inc.; Executive Director of the Office of Economic Development of the County of Maui; and Governor's Representative for Maui. She is also a former board member of the Maui County Workforce Investment Board, State Workforce Development Council, Academy of Hospitality and Tourism, The Maui Farm, and Tourism Workforce Advisory Council. Your Committee further finds that Ms. Inamasu has been appointed to the Community-Based Economic Development Advisory Council based on her knowledge, experience, and commitment to public service.

KALEOKALANI KURODA

Your Committee received testimony in support of the nomination of Kaleokalani Kuroda from the Department of Business, Economic Development, and Tourism.

Upon review of the testimony, your Committee finds that Mr. Kuroda's experience as a Certified Public Accountant and Assistant Vice-President of Strategic Planning and Analytics at HawaiiUSA Federal Credit Union, commitment to public service, and proven leadership qualify him for appointment to the Community-Based Economic Development Advisory Council. Your Committee notes that Mr. Kuroda is a member of the American Institute of Certified Public Accountants, International Institute of Business Analysis, and Native Hawaiian Chamber of Commerce. Your Committee further finds that Mr. Kuroda has been appointed to the Community-Based Economic Development Advisory Council based on his knowledge, experience, and commitment to public service.

LYN MCNEFF

Your Committee received testimony in support of the nomination of Lyn McNeff from the Department of Business, Economic Development, and Tourism and Trilogy Corporation.

Upon review of the testimony, your Committee finds that Ms. McNeff's experience as the Chief Executive Officer of Maui Economic Opportunity, Inc., commitment to public service, and proven leadership qualify her for appointment to the Community-Based Economic Development Advisory Council. Your Committee notes that Ms. McNeff has been affiliated with the Head Start Association at the state, regional, and national level since 1997. Your Committee further finds that Ms. McNeff has been appointed to the Community-Based Economic Development Advisory Council based on her knowledge, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Economic Development, Environment, 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, 7. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

SCRep. 2851 Economic Development, Environment, and Technology on Gov. Msg. No. 524

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I GREEN INFRASTRUCTURE AUTHORITY

G.M. No. 524 KALBERT YOUNG, for a term to expire 06-30-2018

Your Committee received testimony in support of the nomination of Kalbert Young from the Department of Business, Economic Development, and Tourism; Department of Transportation; Green Infrastructure Authority; and two individuals.

Upon review of the testimony, your Committee finds that Mr. Young's experience as a finance executive in the public and private sectors, commitment to public service, and proven leadership qualify him for appointment to the Hawai'i Green Infrastructure Authority. Mr. Young has served as the Vice President for Budget and Finance and Chief Financial Officer of the University of Hawaii System, and the state Director of Finance. Your Committee notes that Mr. Young has an extensive history with the Hawai'i Green Infrastructure Authority and the Green Energy Market Securitization Program, which provides market-based financing products for clean energy technologies. Your Committee further finds that Mr. Young has served as an ex officio member of the Hawai'i Green Infrastructure Authority and based on his knowledge, experience, and commitment to public service he would be a terrific appointee to the Authority.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, 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, 2 (Keith-Agaran, Ruderman).

SCRep. 2852 Economic Development, Environment, and Technology on Gov. Msg. No. 525

Recommending that the Senate advise and consent to the nomination of the following:

SMALL BUSINESS REGULATORY REVIEW BOARD

G.M. No. 525 HARRIS NAKAMOTO, for a term to expire 06-30-2019

Your Committee received testimony in support of the nomination of Harris Nakamoto from the Department of Business, Economic Development, and Tourism and one individual.

Upon review of the testimony, your Committee finds that Mr. Nakamoto's experience as a business leader and small business owner, commitment to public service, and proven leadership qualify him for appointment to the Small Business Regulatory Review Board. Your Committee notes that Mr. Nakamoto has worked in the health-related field in progressively more responsible positions for over twenty years, including experience as a small business owner to serve physician practices for contracting and business administration purposes. Your Committee further finds that Mr. Nakamoto has previously been appointed to the Small Business Regulatory Review Board and based on his knowledge, experience, and commitment to public service he would be a great reappointee for the Board.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, 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, 2 (Keith-Agaran, Ruderman).

SCRep. 2853 Commerce, Consumer Protection, and Health on Gov. Msg. No. 566

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, TRI-ISLE SUBAREA

G.M. No. 566 RUSSELL JOHNSON, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Russell Johnson to possess the requisite qualifications to be nominated for reappointment to the Health Planning Council, Tri-isle Subarea.

Your Committee received testimony in support of the nomination of Russell Johnson from the Department of Health and one individual.

Upon review of the testimony, your Committee finds that Mr. Johnson's knowledge, experience, and proven leadership qualify him for reappointment to the Health Planning Council, Tri-isle Subarea. Your Committee notes that Mr. Johnson presently serves on the Maui Memorial Medical Center's Medical Ethics Committee and has previous work experience as the Regional Chief Financial Officer for Maui Memorial Medical Center, Kula Hospital, and Lanai Community Hospital, and Division Controller for Kapalua Land Company, Ltd. Mr. Johnson has served as a member of the Health Planning Council, Tri-isle Subarea for six years and is currently serving as Chairperson of the Council, applying his extensive experience in accounting and administrative management. Your Committee further finds that Mr. Johnson's background in health care finance and operations, as well as his active participation in the Health Planning Council, Tri-isle Subarea, will continue to enhance the effectiveness of the Council. Your Committee therefore recommends that Mr. Johnson be reappointed to the Health Planning Council, Tri-isle Subarea based on his proven leadership, experience, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2854 Commerce, Consumer Protection, and Health on Gov. Msg. No. 597

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, HONOLULU SUBAREA

GM. No. 597 ELIZABETH SIMON-TUIOLOSEGA, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Elizabeth Simon-Tuiolosega to possess the requisite qualifications to be nominated for reappointment to the Health Planning Council, Honolulu Subarea.

Your Committee received testimony in support of the nomination of Elizabeth Simon-Tuiolosega from the Department of Health.

Upon review of the testimony, your Committee finds that Ms. Simon-Tuiolosega's background, experience, and dedication to serving the public qualify her for reappointment to the Health Planning Council, Honolulu Subarea. Your Committee notes that Ms. Simon-Tuiolosega is presently a consultant for the University of Hawaii John A. Burns School of Medicine and on-call substitute teacher for Kelly Educational Services. Your Committee further finds that Ms. Simon-Tuiolosega has worked for more than twenty years in broadcast and print journalism, researching and publishing several articles on health care as it relates to Native Hawaiians, and has served as a Public Affairs and Hawaii State Government Affairs Specialist for ten years, demonstrating her ability to build partnerships between the public and government. Your Committee therefore recommends that Ms. Simon-Tuiolosega be reappointed to the Health Planning Council, Honolulu Subarea based on her unique background in journalism, experience, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2855 Water, Land, and Agriculture on S.C.R. No. 13

The purpose and intent of this measure is to approve the sale of the leased fee interest in 94-946 Meheula Parkway, No. 264, Mililani, Hawaii, pursuant to section 171-64.7, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; and one individual. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Hawaii Housing Finance and Development Corporation (Corporation) is seeking legislative approval to sell the leased fee interest in 94-946 Meheula Parkway, No. 264 to its current leasehold owner. The property at 94-946 Meheula Parkway, No. 264 is an apartment unit built in 1975 as part of the Nahoia Apartments condominium. The fair market value of the leased fee interest in 94-946 Meheula Parkway, No. 264 was determined to be \$41,100 as of July 20, 2015, by Harlin Young & Co., Ltd. The Corporation has met all statutory prerequisites to request approval of the sale of this parcel.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 13 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2856 Water, Land, and Agriculture on S.C.R. No. 12

The purpose and intent of this measure is to approve the sale of the leased fee interest in 95-029 Kuaahelani Avenue, No. 128, Mililani, Hawaii, pursuant to section 171-64.7, Hawaii Revised Statutes.

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 testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the Hawaii Housing Finance and Development Corporation (Corporation) is seeking legislative approval to sell the leased fee interest in 95-029 Kuaahelani Avenue, No. 128 to its current leasehold owner. The property at 95-029 Kuaahelani Avenue, No. 128 is an apartment unit built in 1975 as part of the Nahoia Apartments condominium. The fair market value of the leased fee interest in 95-029 Kuaahelani Avenue, No. 128 was determined to be \$47,000 as of April 16, 2015, by Zane, Zane & Associates, Real Estate Appraisal and Consultation Services, Ltd. The Corporation has met all statutory prerequisites to request approval of the sale of this parcel.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2857 Water, Land, and Agriculture on S.C.R. No. 1

The purpose and intent of this measure is to recognize that pioneered introductions, such as the pig, and later sustainability introductions, such as goats, sheep, and deer, which are now recognized as game mammal and game bird resources, should be included among the natural resources recognized by the Hawaii State Constitution.

Your Committee received testimony in support of this measure from the County of Hawai'i Game Management Advisory Commission; The Society for Hawaii Heritage Animals; Pig Hunters Association of Oahu; Hawaii Sportsmen's Alliance; Hawaii Nearshore Fishermen; Hawaii Hunting Association; Ho'omana Pono, LLC; Hawai'i Farm Bureau; Hunting Farming and Fishing Association; and thirty-three individuals. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, and three individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that prior to the 1978 Constitutional Convention, the Hawaii State Constitution explicitly required the Legislature to promote the conservation, development, and utilization of fish and game. Your Committee finds that the Department of Land and Natural Resources (Department) should make additional efforts to work with hunters and to recognize game mammals and game birds as resources in game management areas, but recognizes that since game animals are non-native, invasive species and any recognition of game animals as natural resources would conflict with the goals of the Department and the State. Furthermore, your Committee believes that any determination of the intent of the proposal of the 1978 Constitutional Convention is best addressed by the courts or a measure to amend the state constitution.

Your Committee has therefore amended this measure by:

- (1) Correcting the amount of game that is harvested each year from 1,000,000 pounds to 500,000 pounds;
- (2) Deleting references to the proposal of the 1978 Constitutional Convention regarding the former section 1 of the former Article X of the state constitution;
- (3) Amending language to recognize game mammals and game birds as resources in game management areas, rather than as natural resources; 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, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 1, as amended herein, and recommends that it be referred to your Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Nishihara, Ruderman, Slom).

SCRep. 2858 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 580, 581, and 582

Recommending that the Senate advise and consent to the nominations of the following:

STATEWIDE HEALTH COORDINATING COUNCIL

G.M. No. 580 CLINTON YEE, for a term to expire 06-30-2019;

G.M. No. 581 EMMET WHITE, for a term to expire 06-30-2019; and

G.M. No. 582 FREDERICK SHAW, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Clinton Yee, Emmet White, and Frederick Shaw to possess the requisite qualifications to be nominated to the Statewide Health Coordinating Council.

CLINTON YEE

Your Committee received testimony in support of the nomination of Clinton Yee from the Department of Health, Healthcare Association of Hawaii, The Queen's Health Systems, and one individual.

Upon review of the testimony, your Committee finds that Mr. Yee's knowledge, background, and experience qualify him for reappointment to the Statewide Health Coordinating Council. Your Committee notes that Mr. Yee is presently the Corporate Controller for The Queen's Health Systems, a position whose responsibilities include overseeing and directing the operations of the finance department of The Queen's Health Systems, and has previous work experience as a Controller for Hawaii Pacific Health. Your Committee further notes that Mr. Yee has been serving on the Statewide Health Coordinating Council since 2012 and has an extensive background in finance and the health care industry. Your Committee therefore recommends that Mr. Yee be reappointed to the Statewide Health Coordinating Council based on his knowledge, strong financial background in the health care industry, and dedication to public service.

EMMET WHITE

Your Committee received testimony in support of the nomination of Emmet White from the Department of Health, Healthcare Association of Hawaii, and three individuals.

Upon review of the testimony, your Committee finds that Mr. White's experience, knowledge, and proven leadership qualify him for reappointment to the Statewide Health Coordinating Council. Your Committee notes that Mr. White is presently the President and Chief Executive Officer of Arcadia Retirement Residence and, over the past twenty years, has opened 15 Craigsides, a continuing care retirement community, and established a foundation, two adult day care and day health programs, a home care and health service, and a senior living concept that enables seniors to live at home. Your Committee further finds that Mr. White has served on the Statewide Health Coordinating Council since 2011 and has served on the Health Planning Council, Honolulu Subarea for the past eight years. Your Committee therefore recommends that Mr. White be reappointed to the Statewide Health Coordinating Council based on his experience, proven leadership, and commitment to serving the public.

FREDERICK SHAW

Your Committee received testimony in support of the nomination of Frederick Shaw from the Department of Health and four individuals.

Upon review of the testimony, your Committee finds that Mr. Shaw's knowledge, background, and willingness to serve qualify him for reappointment to the Statewide Health Coordinating Council. Your Committee notes that Mr. Shaw is presently a Senior Medical Economics Analyst at Kaiser Permanente and has prior work experience in health care finance, administration, and analytics. Your Committee further finds that Mr. Shaw has extensive experience serving the public as a member of the Statewide Health Coordinating Council since 2014; a member of the Health Planning Council, West Oahu Subarea from 2005 to 2012 and since 2015; and as a volunteer with various community organizations, such as the Waianae Coast Community Mental Health Center, Waianae Coast Coalition for Human Services, and Native Hawaiian Health Care Act Oahu Planning Committee. Your Committee therefore recommends that Mr. Shaw be reappointed to the Statewide Health Coordinating Council based on his proven leadership, background, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2859 Commerce, Consumer Protection, and Health on Gov. Msg. No. 598

Recommending that the Senate advise and consent to the nomination of the following:

LANGUAGE ACCESS ADVISORY COUNCIL

G.M. No. 598 AUGUSTINA TAKASHY, for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Augustina Takashy to possess the requisite qualifications to be nominated to the Language Access Advisory Council.

Your Committee received testimony in support of the nomination of Augustina Takashy from the Office of Language Access and four individuals.

Upon review of the testimony, your Committee finds that Ms. Takashy's background and dedication to serving her community qualify her for appointment to the Language Access Advisory Council. Your Committee notes that Ms. Takashy is presently a Leadership Education Specialist for the Pacific Islands Leadership Program and a Professional Chuukese Interpreter at Language Services Hawaii, LLC. Ms. Takashy works closely with some of Hawaii's most disenfranchised limited English proficient communities, instilling in her a deep appreciation of the Office of Language Access's mission and goals. Your Committee further finds that Ms. Takashy's past experience as a member of the Language Access Advisory Council's Permitted Interaction Group in planning the 2015 Annual Conference on Language Access demonstrates her dedication to language access in the State. Your Committee therefore recommends that Ms. Takashy be appointed to the Language Access Advisory Council based on her experience, background, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2860 Economic Development, Environment, and Technology on Gov. Msg. Nos. 516, 517, and 518

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. 516 ELIJAH YIP, for a term to expire 06-30-2019;

G.M. No. 517 KELLY KING, for a term to expire 06-30-2018; and

G.M. No. 518 DANIEL LEUCK, for a term to expire 06-30-2018

ELIJAH YIP

Your Committee received testimony in support of the nomination of Elijah Yip from the High Technology Development Corporation.

Upon review of the testimony, your Committee finds that Mr. Yip's experience as an attorney, commitment to public service, and proven leadership qualify him for appointment to the Board of Directors of the High Technology Development Corporation. Your Committee finds that Mr. Yip has legal experience in the practice areas of digital media and internet law, First Amendment rights, and environmental law and is a member of the Hawaii State Bar Association, Legal Aid Society of Hawaii, and Blue Startups. Your Committee further notes that from Mr. Yip's questionnaire he believes that as a member of the High Technology Development Corporation he would play a role in helping Hawaii diversify its economy and reverse the "brain drain" that can sometimes be experienced by Hawaii's young professionals.

KELLY KING

Your Committee received testimony in support of the nomination of Kelly King from the Department of Transportation, High Technology Development Corporation, Trilogy Corporation, and two individuals.

Upon review of the testimony, your Committee finds that Ms. King's experience in the biodiesel industry, commitment to public service, and proven leadership qualify her for appointment to the Board of Directors of the High Technology Development Corporation. Your Committee notes that Ms. King has experience in manufacturing and alternative energy sources. Your Committee further finds that Ms. King has been nominated to the Board of Directors of the High Technology Development Corporation based on her knowledge, experience, and commitment to public service.

DANIEL LEUCK

Your Committee received testimony in support of the nomination of Daniel Leuck from the High Technology Development Corporation.

Upon review of the testimony, your Committee finds that Mr. Leuck's experience as a software developer, commitment to public service, and proven leadership qualify him for appointment to the Board of Directors of the High Technology Development Corporation. Your Committee notes that Mr. Leuck serves as the Director of TechHui and as a board member of ThinkTech and Kokua Coop. Your Committee further finds that Mr. Leuck has been nominated to the Board of Directors of the High Technology Development Corporation based on his knowledge, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Economic Development, Environment, 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, 7. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

SCRep. 2861 Economic Development, Environment, and Technology on Gov. Msg. Nos. 526, 527, 528, 529, 530, 531, 532, and 533

Recommending that the Senate advise and consent to the nominations of the following:

ENVIRONMENTAL COUNCIL

G.M. No. 526 BARBARA KAAUMOANA, for a term to expire 06-30-2019;

G.M. No. 527 CHARLES PRENTISS, for a term to expire 06-30-2019;

G.M. No. 528 JOSEPH SHACAT, for a term to expire 06-30-2019;

G.M. No. 529 N. MAHINA TUTEUR, for a term to expire 06-30-2018;

G.M. No. 530 PAULETTE KALEIKINI, for a term to expire 06-30-2019;

G.M. No. 531 RON TERRY, for a term to expire 06-30-2019;

G.M. No. 532 ROY ABE, for a term to expire 06-30-2016; and

G.M. No. 533 ROY ABE, for a term to expire 06-30-2020

BARBARA KAAUMOANA

Your Committee received testimony in support of the nomination of Barbara Kaaumoana from the Department of Land and Natural Resources, Office of Environmental Quality Control, Conservation Council for Hawai'i, and sixteen individuals. Your Committee received testimony in opposition from Ho'okipa Network Kauai and Aha Moku Kauai.

Upon review of the testimony, your Committee finds that Ms. Kaaumoana's experience as the Executive Director of Hanalei Watershed Hui, commitment to public service, and proven leadership qualify her for appointment to the Environmental Council. Your Committee notes that Ms. Kaaumoana has decades of experience in community and environmental service and is a member of Hanalei Community Association, Hanalei Roads Committee, Ha'ena State Park Master Plan Advisory Committee, Hui Ho'omalu I ka 'Aina, Hui Maka'ainana o Makana, Kilauea Neighborhood Association, United States Fish and Wildlife Service Fish Habitat Initiative Steering Committee, Hawaiian Islands Humpback Whale National Marine Sanctuary Advisory Council, Kua'aina Ulu 'Auamo Board, and Conservation Council for Hawai'i. Your Committee further finds that Ms. Kaaumoana has been nominated to the Environmental Council as a member representing a voluntary community and environmental group and based on her knowledge, experience, and willingness to serve the public.

CHARLES PRENTISS

Your Committee received testimony in support of the nomination of Charles Prentiss from the Office of Environmental Quality Control, Conservation Council for Hawai'i, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Prentiss' experience as an urban planner for twenty years, commitment to public service, and proven leadership qualify him for appointment to the Environmental Council. Your Committee notes that Mr. Prentiss has served as a member of the American Planning Association, International City Management Association, International Academy of Political and Social Scientists, National Guard Association of the United States, State Environmental Council, and Honolulu Landfill Advisory Committee, and as President of Hawaii's Thousand Friends and Chairperson of the Kailua Neighborhood Board. Your Committee further finds that Mr. Prentiss has been nominated to the Environmental Council as a member representing urban planning and based on his knowledge, experience, and willingness to serve the public.

JOSEPH SHACAT

Your Committee received testimony in support of the nomination of Joseph Shacat from the Office of Environmental Quality Control; Conservation Council for Hawai'i; General Contractors Association of Hawaii; HC&D, LLC; and twenty-two individuals.

Upon review of the testimony, your Committee finds that Mr. Shacat's experience as an Environmental Compliance Manager, commitment to public service, and proven leadership qualify him for reappointment to the Environmental Council. Your Committee notes that Mr. Shacat has experience as an environmental scientist and is a member of the Hawaii State Environmental Council, Associated General Contractors of America, General Contractors Association of Hawaii, and National Asphalt Pavement Association. Mr. Shacat has served on the Environmental Council since 2014 and as Chair of the Council for the past six months. Your Committee further finds that Mr. Shacat has been nominated to the Environmental Council as a member representing environmental planning and based on his knowledge, experience, and willingness to serve the public.

N. MAHINA TUTEUR

Your Committee received testimony in support of the nomination of N. Mahina Tuteur from the Office of Environmental Quality Control, Conservation Council for Hawai'i, and fifteen individuals.

Upon review of the testimony, your Committee finds that Ms. Tuteur's experience as an attorney, commitment to public service, and proven leadership qualify her for appointment to the Environmental Council. Your Committee notes that Ms. Tuteur has focused her legal research on water rights, climate change issues, and clean energy and has experience with the Ka Huli Ao Center for Excellence in Native Hawaiian Law, Nā Kama Kai, and Advocates for Public Interest Law. Your Committee further finds that Ms. Tuteur has been nominated to the Environmental Council as an attorney member and based on her knowledge, experience, and willingness to serve the public.

PAULETTE KALEIKINI

Your Committee received testimony in support of the nomination of Paulette Kaleikini from the Office of Environmental Quality Control, Conservation Council for Hawai'i, and four individuals.

Upon review of the testimony, your Committee finds that Ms. Kaleikini's experience as a Lead Cultural Resource Monitor & Manager and Native Hawaiian Cultural Advisor, commitment to public service, and proven leadership qualify her for appointment to the Environmental Council. Your Committee notes that Ms. Kaleikini has years of experience with Environmental Assessments and Environmental Impact Statements, including Archaeological Monitoring Plans, Archaeological Inventory Surveys, Archaeological Data Recovery Plans, Burial Treatment Plans, and Cultural Impact Assessments, in line with section 106 of the National Historic Preservation Act and Native American Grave Protection and Repatriation Act. Your Committee further finds that Ms. Kaleikini has been nominated to the Environmental Council as a member representing a voluntary community and environmental group and based on her knowledge, experience, and willingness to serve the public.

RON TERRY

Your Committee received testimony in support of the nomination of Ron Terry from the Office of Environmental Quality Control, Conservation Council for Hawai'i, and twenty-one individuals.

Upon review of the testimony, your Committee finds that Dr. Terry's experience as the Principal of Geometrician Associates, LLC; commitment to public service; and proven leadership qualify him for appointment to the Environmental Council. Your Committee notes that Dr. Terry has extensive experience with environmental impact assessment documents and biological reports as well as experience as an Affiliate Professor at the University of Hawaii Hilo and member of the Marine and Coastal Zone Management Advocacy Council and Mauna Kea Management Board. Your Committee further finds that Dr. Terry has been nominated to the Environmental Council as a member representing environmental consulting based on his knowledge, experience, and willingness to serve the public.

ROY ABE

Your Committee received testimony in support of the nomination of Roy Abe from the Office of Environmental Quality Control, Conservation Council for Hawai'i, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Abe's professional experience as the Vice President and Senior Project Manager at HDR Engineering, Inc.; background; and commitment to public service qualify him for appointment and reappointment to the Environmental Council. Your Committee notes that Mr. Abe has approximately thirty-five years of experience in sanitary and environmental engineering, including planning, design, and environmental permitting for wastewater and water infrastructure projects. He is a member of the Hawai'i Water Environment Association, American Society of Civil Engineers, and American Water Works Association. Your Committee further finds that Mr. Abe has been nominated for appointment and reappointment to the Environmental Council as a member representing engineering and based on his knowledge, experience, and willingness to serve the public.

As affirmed by the records of votes of the members of your Committee on Economic Development, Environment, 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, 7. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

SCRep. 2862 (Joint) Public Safety, Intergovernmental, and Military Affairs and Higher Education and the Arts on H.B. No. 52

The purpose and intent of this measure is to require compliance with the Military Selective Service Act to be eligible for enrollment in a state-supported post-secondary institution, qualify for state financial assistance for post-secondary education, or be eligible for state or county employment or service.

Your Committees received testimony in support of this measure from the United States Selective Service System. Your Committees received comments on this measure from the University of Hawaii System and Department of Defense.

Your Committees find that the United States Military Selective Service Act requires all male citizens and males residing in the United States, except for lawfully admitted non-immigrants, to register with the Selective Service System upon reaching the age of eighteen. Federal law provides that any person who is not in compliance with the Military Selective Service Act is ineligible for federal student financial assistance and employment within the executive branch of the federal government. Your Committees further find that twenty-seven percent of males eighteen years of age or older in Hawaii have not registered with the Selective Service System. If these individuals do not register before the age of twenty-six, they will permanently lose eligibility for federal benefits linked to the Selective Service registration requirement. Your Committees find that conditioning state student financial assistance benefits on compliance with the Selective Service registration requirement will encourage individuals not currently in compliance to register.

Your Committees also find that financial aid office staff in state educational institutions may require time to prepare for the conditioning of state student financial assistance on compliance with Selective Service registration requirements proposed by this measure. Additionally, your Committees note that any person denied benefits due to lack of compliance with the registration requirement may regain the benefits if that person registers with the Selective Service System before attaining age twenty-six and provides proof of registration.

Your Committees have amended this measure by:

- (1) Removing the requirement of Selective Service registration for enrollment in state-supported post-secondary institutions and state or county employment;
- (2) Removing the reference to the National Guard in the section providing exceptions to the registration requirement;
- (3) Changing the effective date to July 1, 2017; 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 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 H.B. No. 52, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 52, H.D. 1, S.D. 1, and be referred to your 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 (Inouye, Slom).

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 2863 (Joint/Majority) Commerce, Consumer Protection, and Health and Education on S.C.R. No. 30

The purpose and intent of this measure is to request the Departments of Health and Education to collaborate on educational information and materials about the human papillomavirus vaccine that can be provided to parents of public middle and intermediate school children.

Your Committees received testimony in support of this measure from the Department of Education, Hawai'i State Democratic Women's Caucus, Planned Parenthood Votes Northwest and Hawaii, Hawaii Women's Coalition, Hawaii Youth Services Network, Hawaii Medical Service Association, Hawai'i Public Health Institute, and three individuals. Your Committees received testimony in opposition to this measure from ten individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the human papillomavirus vaccine is an important vaccine that can protect against infection and the cancers caused by human papillomavirus, including cervical, vaginal, and vulvar cancers in women, penile cancer in men, and anal cancer, cancer of the throat, and genital warts in men and women. The Centers for Disease Control and Prevention recommends the human papillomavirus vaccine for preteen boys and girls at age eleven or twelve, so they are protected prior to being exposed to the virus. Your Committees further find that according to the Centers for Disease Control and Prevention, vaccination rates in Hawaii to protect against human papillomavirus are relatively low, with only thirty-four percent of women and fifteen percent of men in the State being fully immunized.

Your Committees note that this measure provides an opportunity to increase public awareness about the human papillomavirus vaccine among parents and children through the dissemination of information and encourages parents and children to talk to pediatricians on the importance of being aware of the human papillomavirus.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 30 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Ihara, Nishihara, Ruderman).

Education: Ayes, 5; Ayes with Reservations (Chun Oakland). Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 2864 (Joint/Majority) Commerce, Consumer Protection, and Health and Education on S.R. No. 12

The purpose and intent of this measure is to request the Departments of Health and Education to collaborate on educational information and materials about the human papillomavirus vaccine that can be provided to parents of public middle and intermediate school children.

Your Committees received testimony in support of this measure from the Department of Education, Hawai'i State Democratic Women's Caucus, Planned Parenthood Votes Northwest and Hawaii, Hawaii Women's Coalition, Hawaii Youth Services Network, Hawaii Medical Service Association, Hawai'i Public Health Institute, and three individuals. Your Committees received testimony in opposition to this measure from ten individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the human papillomavirus vaccine is an important vaccine that can protect against infection and the cancers caused by human papillomavirus, including cervical, vaginal, and vulvar cancers in women, penile cancer in men, and anal cancer, cancer of the throat, and genital warts in men and women. The Centers for Disease Control and Prevention recommends the human papillomavirus vaccine for preteen boys and girls at age eleven or twelve, so they are protected prior to being exposed to the virus. Your Committees further find that according to the Centers for Disease Control and Prevention, vaccination rates in Hawaii to protect against human papillomavirus are relatively low, with only thirty-four percent of women and fifteen percent of men in the State being fully immunized.

Your Committees note that this measure provides an opportunity to increase public awareness about the human papillomavirus vaccine among parents and children through the dissemination of information and encourages parents and children to talk to pediatricians on the importance of being aware of the human papillomavirus.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Education that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 12 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Ihara, Nishihara, Ruderman).

Education: Ayes, 5; Ayes with Reservations (Chun Oakland). Noes, 1 (Slom). Excused, 1 (Dela Cruz).

SCRep. 2865 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 575, 576, 577, and 578

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON MENTAL HEALTH

G.M. No. 575 CHRISTOPHER ROCCHIO, for a term to expire 06-30-2017;

G.M. No. 576 IRIS KANESHIRO, for a term to expire 06-30-2019;

G.M. No. 577 SCOTT SHIMABUKURO, for a term to expire 06-30-2016; and

G.M. No. 578 SCOTT SHIMABUKURO, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Christopher Rocchio, Iris Kaneshiro, and Scott Shimabukuro to possess the requisite qualifications to be nominated to the State Council on Mental Health.

CHRISTOPHER ROCCHIO

Your Committee received testimony in support of the nomination of Christopher Rocchio from the Department of Health.

Upon review of the testimony, your Committee finds that Mr. Rocchio's background, experience, and knowledge qualify him for appointment to the State Council on Mental Health. Your Committee notes that Mr. Rocchio is presently a Recovery and Resiliency Manager at UnitedHealthcare Community Plan, and has previous work experience as a Monitoring Coordinator for the Department of Health and Evaluation Coordinator for the University of Hawaii's Mental Health Services Research, Evaluation, and Training Program. Your Committee further finds that Mr. Rocchio is a licensed Clinical Social Worker and certified Substance Abuse Counselor, having experience in community-based case management and mental health services research. Your Committee therefore recommends that Mr. Rocchio be appointed to the State Council on Mental Health based on his experience, knowledge, and dedication to public service.

IRIS KANESHIRO

Your Committee received testimony in support of the nomination of Iris Kaneshiro from the Department of Health.

Upon review of the testimony, your Committee finds that Ms. Kaneshiro's background, willingness to serve the community, and experience qualify her for appointment to the State Council on Mental Health. Your Committee notes that Ms. Kaneshiro is a Peer Support Specialist at UnitedHealthcare Community Plan of Hawaii, and has past work experience as a Hawaii Certified Peer Support Specialist Intern at the Department of Health and owner of One Giri Giri Hair Salon. Your Committee recognizes Ms. Kaneshiro's commitment to advocating on behalf of consumers to assist the State Council on Mental Health in understanding consumers' abilities and not simply their disabilities. Your Committee therefore recommends that Ms. Kaneshiro be appointed to the State Council on Mental Health based on her background, dedication to public service, and experience.

SCOTT SHIMABUKURO

Your Committee received testimony in support of the nomination of Scott Shimabukuro from the Department of Health and two individuals.

Upon review of the testimony, your Committee finds that Dr. Shimabukuro's knowledge, experience, and expertise qualify him for appointment and reappointment to the State Council on Mental Health. Your Committee notes that Dr. Shimabukuro is presently a licensed Clinical Psychologist and Board Certified Family Psychologist who has been on staff with the Department of Health, Child and Adolescent Mental Health Division since 2007, as well as a Clinical Affiliate with the University of Hawaii School of Psychology. Your Committee further finds that Dr. Shimabukuro's extensive clinical experience, including the delivery and management of school-based counseling, school-based day treatment, residential treatment for children, and community-based services, and expertise in the training and dissemination of evidence-based treatment, treatment of sexual offenders, and suicide prevention will be great assets to the State Council on Mental Health. Your Committee therefore recommends that Dr. Shimabukuro be appointed and reappointed to the State Council on Mental Health based on his knowledge, background, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2866 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 567, 568, 569, 570, 571, and 572

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

- G.M. No. 567 EDNA KAAHAAINA, for a term to expire 06-30-2019;
- G.M. No. 568 JOSHUA GOETZ, for a term to expire 06-30-2016;
- G.M. No. 569 JOSHUA GOETZ, for a term to expire 06-30-2020;
- G.M. No. 570 MICHELLE PESTEL-MAGA, for a term to expire 06-30-2018;
- G.M. No. 571 ROBIN COVERLISSA, for a term to expire 06-30-2016; and
- G.M. No. 572 ROBIN COVERLISSA, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Edna Kaahaaina, Joshua Goetz, Michelle Pestel-Maga, and Robin Coverlissa to possess the requisite qualifications to be nominated to the State Council on Developmental Disabilities.

EDNA KAAHAAINA

Your Committee received testimony in support of the nomination of Edna Kaahaaina from the State Council on Developmental Disabilities and one individual.

Upon review of the testimony, your Committee finds that Ms. Kaahaaina's experience, background, and willingness to serve the public qualify her for appointment to the State Council on Developmental Disabilities. Your Committee notes that Ms. Kaahaaina is presently an Office Manager at Assistive Technology Resource Centers of Hawaii and has previous work experience as an Executive Administrative Assistant at DoubleTree by Hilton Alana Waikiki and Human Resources Specialist for the Hawaii Government Employees Association. Your Committee further finds that Ms. Kaahaaina is passionate about serving the developmental disabilities community, having participated as a member of the State Council on Developmental Disabilities' Health and Early Childhood Committee. Your Committee therefore recommends that Ms. Kaahaaina be appointed to the State Council on Developmental Disabilities based on her experience, background, and desire to contribute to the community.

JOSHUA GOETZ

Your Committee received testimony in support of the nomination of Joshua Goetz from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and one individual.

Upon review of the testimony, your Committee finds that Mr. Goetz's background, dedication to serving the public, and experience qualify him for appointment and reappointment to the State Council on Developmental Disabilities. Your Committee notes that Mr. Goetz is presently employed at the Arc of Kona and serves as Chair for the Hawaii Self-Advocacy Advisory Council in Kona. Your Committee further finds that Mr. Goetz is highly active in the State Council on Developmental Disabilities' West Hawaii Developmental Disabilities Committee, advocating on issues such as employment opportunities and accessible transportation on Hawaii island for individuals with developmental disabilities. Your Committee therefore recommends that Mr. Goetz be appointed and reappointed to the State Council on Developmental Disabilities based on his background, experience, and commitment to public service.

MICHELLE PESTEL-MAGA

Your Committee received testimony in support of the nomination of Michelle Pestel-Maga from the State Council on Developmental Disabilities, Hilopa'a Family to Family Health Information Center, and six individuals.

Upon review of the testimony, your Committee finds that Ms. Pestel-Maga's background, dedication to serving the public, and advocacy experience qualify her for appointment to the State Council on Developmental Disabilities. Your Committee notes that Ms. Pestel-Maga is presently a Bookkeeper and Administrative Assistant at Hi-Pac Ltd., President of Lifetime of Smiles Hawaii, Secretary at Family Voices Hawaii, and Family Advisor at Early Intervention State Systemic Improvement Plan. Your Committee further finds that Ms. Pestel-Maga's past experiences, including her advocacy on behalf of her daughter and many other children to require health insurance coverage of orthodontic treatment for orofacial anomalies through Act 213, Session Laws of Hawaii 2015, is praiseworthy.

and admirable. Your Committee therefore recommends that Ms. Pestel-Maga be appointed to the State Council on Developmental Disabilities based on her knowledge, background, and dedication to public service.

ROBIN COVERLISSA

Your Committee received testimony in support of the nomination of Robin Coverlissa from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and one individual.

Upon review of the testimony, your Committee finds that Ms. Coverlissa's background, leadership, and willingness to serve the community qualify her for appointment and reappointment to the State Council on Developmental Disabilities. Your Committee notes that Ms. Coverlissa is presently an Adult Day Health Participant and Volunteer through Easter Seals Hawaii-Ewa and an active member of the Hawaii Self-Advocacy Advisory Council, Oahu Chapter. Your Committee further finds that Ms. Coverlissa's positive attitude and passion for serving individuals with developmental disabilities will enhance the effectiveness of the State Council on Developmental Disabilities. Your Committee therefore recommends that Ms. Coverlissa be appointed and reappointed to the State Council on Developmental Disabilities based on her experience, background, and passion for serving the public.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2867 Higher Education and the Arts on Gov. Msg. Nos. 583, 584, and 585

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI'I HISTORIC PLACES REVIEW BOARD

G.M. No. 583 ALTON OKINAKA, for a term to expire 06-30-2019;

G.M. No. 584 PATRICIA GRIFFIN, for a term to expire 06-30-2018; and

G.M. No. 585 PAUL MORGAN, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alton Okinaka, Patricia Griffin, and Paul Morgan to possess the requisite qualifications to be nominated to the Hawaii Historic Places Review Board.

ALTON OKINAKA

Your Committee received testimony in support of the nomination of Alton Okinaka from the Department of Land and Natural Resources.

Your Committee finds that Mr. Okinaka is an Associate Professor at the University of Hawaii at Hilo, where he teaches courses such as Ethnic Groups in Hawaii and Political Economy of Hawaii. He also occasionally teaches over the interactive television system as well as courses at the West Hawaii branch campus and the North Hawaii Education and Research Center in Honokaa.

Upon review of the testimony, your Committee finds that Mr. Okinaka's professional experience and background qualify him for appointment to the Hawaii Historic Places Review Board. Your Committee notes that Mr. Okinaka has contributed to broader community understanding of Hawaii's ethnic diversity through his professional and personal commitments. Your Committee further finds that Mr. Okinaka has been nominated to the Hawaii Historic Places Review Board based on his knowledge, experience, and commitment to public service.

PATRICIA GRIFFIN

Your Committee received testimony in support of the nomination of Patricia Griffin from the Department of Land and Natural Resources; Planning Department of the County of Kauai; Historic Hawaii Foundation; Palms Hawaii Architecture; Kauai Path, Inc.; and three individuals.

Your Committee finds that Ms. Griffin has worked extensively on the subjects of Hawaiian history and advancing historical knowledge of Hawaii. Ms. Griffin has produced numerous written works and presentations, and served on many boards and commissions related to the history of Hawaii.

Upon review of the testimony, your Committee finds that Ms. Griffin's professional experience and background qualify her for appointment to the Hawaii Historic Places Review Board. Your Committee notes that Ms. Griffin has worked extensively on matters related to Hawaiian history over many years and her lifetime experience would bring depth to the Board's discourse and policy making. Your Committee further finds that Ms. Griffin has been nominated to the Hawaii Historic Places Review Board based on her knowledge, experience, and commitment to public service.

PAUL MORGAN

Your Committee received testimony in support of the nomination of Paul Morgan from the Department of Land and Natural Resources.

Your Committee finds that Mr. Morgan has worked as an architect in Hawaii for more than three decades. In his professional capacity, Mr. Morgan has worked on many preservation projects that are historically significant to the State of Hawaii.

Upon review of the testimony, your Committee finds that Mr. Morgan's professional experience and background qualify him for appointment to the Hawaii Historic Places Review Board. Your Committee notes that Mr. Morgan has directly made professional

contributions to preserving historically significant architecture in the State of Hawaii and his knowledge and perspectives will assist the Board in its deliberations. Your Committee further finds that Mr. Morgan has been nominated to the Hawaii Historic Places Review Board based on his knowledge, experience, and commitment 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, 1 (Gabbard).

SCRep. 2868 Ways and Means on S.B. No. 2102

The purpose and intent of this measure is to appropriate funds for the operating costs of the Judiciary for fiscal year 2016-2017.

Your Committee received testimony in support from the Judiciary; Office of the Public Defender, State of Hawaii; Mothers Against Drunk Driving Hawaii; Hawaii State Bar Association, Hawaii Society of Addiction Medicine; Park and Kim; and six individuals.

OPERATING BUDGET

Your Committee has approved an increase of the Judiciary's operating budget as follows:

- (1) \$1,039,426 in general funds. The Judiciary had requested an increase of \$2,227,149 in general funds; and
- (2) 3.00 full-time equivalent permanent positions, with the possibility of up to an additional 4.00 more. The Judiciary had requested 24.00 full-time equivalent permanent positions.

With the adjustments contained in this measure, the total general fund appropriation for the Judiciary is \$159,222,151 for fiscal year 2016-2017. The total general fund full-time equivalent position count is 1,913.50.

Judgeship

Your Committee approves \$330,000 in general funds to establish one judgeship at the discretion of the Chief Justice pursuant to the proviso in section 4 of the measure.

The Judiciary's supplemental budget request included requests to fund a judge and support staff for three judgeships: a District Family Court Judge for the First Circuit; a District Court Judge for the Second Circuit; and a Family Court Judge for the Fifth Circuit. Rather than making a specific selection, your Committee chooses to confer upon the Chief Justice the authority to select one of the three judgeships to fund with the \$330,000 appropriation. Your Committee believes that the Chief Justice should identify the judgeship that is of highest priority and represents the greatest need so as to warrant the establishment of an additional court.

Civil Legal Services

Your Committee also approves \$600,000 in general funds in fiscal year 2016-2017 for purchase of service contracts for civil legal services.

Your Committee finds that the funding of civil legal services for indigent persons is imperative. Those who cannot afford private counsel deserve representation in civil court. Your Committee reiterates its support for funding legal services through purchase of service contracts instead of grants. This approach was implemented under Act 138, Session Laws of Hawaii 2015, in order to create competition among indigent legal service providers and give the Judiciary more discretion in procuring such services.

Your Committee notes that section 7 of Act 138, Session Laws of Hawaii 2015, is a proviso dedicating \$600,000 from the general fund appropriation in JUD601 for civil legal services in fiscal year 2015-2016 and the same sum for fiscal year 2016-2017. The budget worksheets for Act 138, however, add \$600,000 in general funds to JUD601 only for fiscal year 2015-2016. Thus, the appropriation of \$600,000 for fiscal year 2016-2017 in this measure fulfills the intent of the proviso and saves the Judiciary from having to divert funds from its base budget for civil legal services.

Mental Health Court

Your Committee approves two (2.0 FTE) positions and \$109,426 in general funds for the Mental Health Court.

With respect to the Mental Health Court Program, your Committee agrees with the Judiciary's overall goals of bringing stability to partnerships with other applicable agencies, increasing client referrals and the population served, reducing recidivism and increasing public safety, and decreasing expenditures for incarceration in Hawaii's correctional facilities (\$140 daily cost) or hospitalization in the Hawaii State Hospital (\$765 daily cost). Efforts to attain the goals require additional staff and support for specialized supervision of felony offenders who suffer from serious mental illness.

While supporting the Mental Health Court, your Committee intends that the program's services should not duplicate those provided by the Department of Human Services, Department of Health, or any other state agency. It is your Committee's belief that the positions provided should in fact focus on enhancing information and referral services to these other agencies in an effort to maximize resources.

Kona Fiscal Office Position Conversion

Your Committee approves the conversion of one (1.0 FTE) temporary position to permanent for the Kona Fiscal Unit of the Third Circuit.

Your Committee recognizes the importance of clerical assistance within the Third Circuit and the important role of helping the Fiscal Unit keep current with its operations. The conversion of the temporary position will increase employment retention and alleviate the position from repeated vacancies.

CAPITAL BUDGET

At this time, your Committee has not approved any capital improvement funding requests for the Judiciary. Your Committee intends to consider this matter further and take action during the conference committee deliberations 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. 2102, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2102, 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 (English, Taniguchi).

SCRep. 2869 Higher Education and the Arts on Gov. Msg. Nos. 586 and 587

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII

G.M. No. 586 JAN SULLIVAN, for a term to expire 06-30-2021; and
G.M. No. 587 WAYNE HIGAKI, for a term to expire 06-30-2021

JAN SULLIVAN

Your Committee received testimony in support of the nomination of Jan Sullivan from eighteen individuals.

Upon review of the testimony, your Committee finds that Ms. Sullivan's professional skills and experience, and her commitment to higher education in Hawaii are valuable assets and additions to the Board of Regents of the University of Hawaii when the Board conducts its business and deliberations. Specifically, your Committee notes that throughout her career, Ms. Sullivan has built a reputation for professionalism and an ability to understand technical and disparate subject matters. Your Committee further finds that Ms. Sullivan has a thorough understanding of the role and responsibilities of board members and has been nominated for reappointment to the Board of Regents of the University of Hawaii as a public member based on her knowledge, professional experience, and commitment to improving higher education in the State.

WAYNE HIGAKI

Your Committee received testimony in support of the nomination of Wayne Higaki from the Healthcare Association of Hawaii, Chamber of Commerce Hawaii, and fifteen individuals.

Upon review of the testimony, your Committee finds that Mr. Higaki's professional experience, enthusiasm, and commitment to higher education in Hawaii are valuable assets and additions to the Board of Regents of the University of Hawaii when the Board conducts its business and deliberations. Specifically, your Committee notes that Mr. Higaki has been successful in leadership positions throughout his professional life, and Mr. Higaki has demonstrated a commitment to his community, serving on various community boards and committees. Your Committee further finds that Mr. Higaki has been nominated for reappointment to the Board of Regents of the University of Hawaii as a public member based on his knowledge, professional experience, and commitment to improving higher education in the State.

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, 5. Noes, none. Excused, none.

SCRep. 2870 Higher Education and the Arts on Gov. Msg. Nos. 588 and 589

Recommending that the Senate advise and consent to the nominations of the following:

CENTER FOR NURSING ADVISORY BOARD

G.M. No. 588 KARI LUM, for a term to expire 06-30-2018; and
G.M. No. 589 LYNN MILLIGAN, for a term to expire 06-30-2019

KARI LUM

Your Committee received testimony in support of the nomination of Kari Lum from the Hawaii State Center for Nursing, Hawaii Medical Service Association, and three individuals.

Upon review of the testimony, your Committee finds that Ms. Lum's educational background, professional experience, and commitment to the healthcare industry will be great assets to the Center for Nursing Advisory Board. Specifically, your Committee notes that over a career of more than twenty years in health care administration, Ms. Lum has built a reputation for professionalism, and has developed expertise in accreditation, regulatory compliance, and models of care to improve the health of people in her community. Your Committee further finds that Ms. Lum has a thorough understanding of the role and responsibilities of board members and has been nominated to the Center for Nursing Advisory Board as a public member based on her knowledge, professional experience, and commitment to improving the healthcare system of the State.

LYNN MILLIGAN

Your Committee received testimony in support of the nomination of Lynn Milligan from the Hawaii State Center for Nursing, Chaminade University School of Nursing, and five individuals.

Upon review of the testimony, your Committee finds that Ms. Milligan's professional experience and leadership skills will contribute significantly to the Center for Nursing Advisory Board. Specifically, your Committee notes that Ms. Milligan has earned praise in her nursing career for her leadership and dedication to her profession by motivating nursing staff and students under her guidance. Your Committee further finds that Ms. Milligan has a thorough understanding of the role and responsibilities of board members and has been nominated to the Center for Nursing Advisory Board as a public member based on her knowledge, professional experience, and commitment to improving the healthcare system of the State.

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, 1 (Gabbard).

SCRep. 2871 Transportation and Energy on Gov. Msg. Nos. 623 and 624

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

G.M. No. 623 LINDA ROSEHILL, for a term to expire 06-30-2016; and

G.M. No. 624 LINDA ROSEHILL, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Linda Rosehill to possess the requisite qualifications to be nominated to the Board of Directors of the Natural Energy Laboratory of Hawai'i Authority (NELHA).

Your Committee received testimony in support of the nomination of Linda Rosehill from the Department of Business, Economic Development, and Tourism; Paniolo Power Company, LLC; Hawaii Family Advocates; and seven individuals.

Linda Rosehill is the founder of Rosehill & Associates, specializing in government, community, and public affairs. She is a graduate of the William S. Richardson School of Law and is an inactive member of the Hawaii State Bar Association. She is a member of or has served on numerous governmental boards and commissions, and is very active in her community.

Ms. Rosehill oversaw the administration of NELHA, which is administratively placed under the Department of Business, Economic Development, and Tourism (DBEDT), while she served as DBEDT's Deputy Director from 1984 to 1986. In addition, Ms. Rosehill has prior experience in energy through her representation of Kauai Island Utility Cooperative and most recently through her work with Parker Ranch. During 2013, Parker Ranch embarked on a comprehensive integrated resource planning effort to explore the possibility of reducing the cost of electricity for the Waimea community on the Island of Hawaii. Parker Ranch lands are endowed with significant potential energy resources, including wind, solar, biomass, and possibly geothermal. As such, Ms. Rosehill has a fairly in-depth knowledge regarding energy technologies.

As a member of the Board of Directors of NELHA, Ms. Rosehill testified that she would like to assist in furthering the implementation of its master plan to attract tenants that take an entrepreneurial effort to commercialization. Ms. Rosehill believes in fostering energy sustainability and self-sufficiency through NELHA's various programs.

Ms. Rosehill's knowledge and experience in the field of energy, along with her experience in the public and private sectors, will greatly benefit the Board of Directors of NELHA.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy 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. 2872 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 41

The purpose and intent of this measure is to urge the State Department of Transportation and Department of Transportation Services of the City and County of Honolulu to landscape Hawaii's public highways and roads by planting more trees.

Your Committees received testimony in support of this measure from Aha Moku Advisory Committee, Department of Transportation Services of the City and County of Honolulu, Aloha Arborist Association, Ko'olaupoku Hawaiian Civic Club, and five individuals. Your Committees received comments on this measure from the Department of Transportation.

Your Committees find that the reputation of Hawaii as a paradise is vital to the State's tourism industry and in turn the State's economy. Many visitors to Hawaii expect a clean, green, and beautiful Hawaii with lush greenery. The lush beauty of Hawaii should be promoted, preserved, and perpetuated as part of a unique visitor experience. Trees are essential to a healthy environment for Hawaii, and increasing the number of trees planted in Hawaii would improve Hawaii's natural beauty.

Your Committees have amended this measure by:

- (1) Adding language to reference the importance of indigenous or endemic trees and plants as part of the visitor experience, as well as their importance to Native Hawaiians and indigenous animals and birds;

- (2) Adding language to clarify that the reputation of Hawaii as a paradise is vital to the Native Hawaiian culture;
- (3) Replacing references to the Department of Transportation Services of the City and County of Honolulu with the Department of Parks and Recreation of the City and County of Honolulu based on testimony indicating that it is the entity responsible for planting trees on city streets; and
- (4) Requesting that the trees planted include trees that are indigenous or endemic to Hawaii.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 41, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 41, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2873 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 19

The purpose and intent of this measure is to urge the State Department of Transportation and Department of Transportation Services of the City and County of Honolulu to landscape Hawaii's public highways and roads by planting more trees.

Your Committees received testimony in support of this measure from Aha Moku Advisory Committee, Department of Transportation Services of the City and County of Honolulu, Aloha Arborist Association, Ko'olaupoku Hawaiian Civic Club, and five individuals. Your Committees received comments on this measure from the Department of Transportation.

Your Committees find that the reputation of Hawaii as a paradise is vital to the State's tourism industry and in turn the State's economy. Many visitors to Hawaii expect a clean, green, and beautiful Hawaii with lush greenery. The lush beauty of Hawaii should be promoted, preserved, and perpetuated as part of a unique visitor experience. Trees are essential to a healthy environment for Hawaii, and increasing the number of trees planted in Hawaii would improve Hawaii's natural beauty.

Your Committees have amended this measure by:

- (1) Adding language to reference the importance of indigenous or endemic trees and plants as part of the visitor experience, as well as their importance to Native Hawaiians and indigenous animals and birds;
- (2) Adding language to clarify that the reputation of Hawaii as a paradise is vital to the Native Hawaiian culture;
- (3) Replacing references to the Department of Transportation Services of the City and County of Honolulu with the Department of Parks and Recreation of the City and County of Honolulu based on testimony indicating that it is the entity responsible for planting trees on city streets; and
- (4) Requesting that the trees planted include trees that are indigenous or endemic to Hawaii.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 19, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 19, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2874 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 22

The purpose and intent of this measure is to urge Hawaii's congressional delegation to propose and pass an amendment to the United States Constitution clarifying that corporations are not people and do not have constitutional rights, and that the First Amendment right to free speech does not include unlimited campaign spending.

Your Committee received testimony in support of this measure from the Hawaii State Association of Counties, County Council for the County of Maui, Common Cause Hawaii, and sixteen individuals.

Your Committee finds that the constitutional right to free speech should be exclusive to natural persons. Allowing unlimited campaign spending by corporate entities to fall within the protection of the First Amendment unfairly and improperly gives such entities an advantage in influencing the political system of the United States. Since the United States Supreme Court decision *Citizens United v. Federal Elections Commission*, 558 U.S. 310 (2010), campaign spending by special interest groups has dramatically increased. New York Times and CBS News polls show that a substantial majority of the public supports limiting campaign contributions, limiting campaign spending by Super PACS and politically active nonprofit organizations, and disclosing the identity of donors to political groups. An amendment to the United States Constitution clarifying the status of corporate entities and the relationship between political donations and the First Amendment is in the public interest and would benefit the function of government.

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. 22 and recommends that it be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

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

SCRep. 2875 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 33

The purpose and intent of this measure is to request the State's congressional delegation to assist in negotiations with the federal government for the acquisition of the Federal Detention Center, Honolulu (Federal Detention Center).

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 finds that the Federal Detention Center houses federal and state pre-trial detainees, and sentenced felons who have almost completed their prison terms. The center operates far below its total capacity of 1,200 beds. As Hawaii has struggled for years to find additional capacity for overcrowded jails and prisons, acquisition of the Federal Detention Center will help relieve overcrowding conditions at state facilities and accommodate the return of state inmates who are currently serving terms at out-of-state facilities at a far lower cost than constructing a new 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 concurs with the intent and purpose of S.C.R. No. 33 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2876 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 34

The purpose and intent of this measure is to urge the United States Congress to support legislation granting statehood and greater budget and legislative autonomy to the District of Columbia.

Your Committee received testimony in support of this measure from two individuals.

Your Committee finds that the people of the District of Columbia were provided the right to vote for representation in Congress when the United States Constitution was ratified in 1788. The Organic Act of 1801 placed the District of Columbia under the exclusive authority of the United States Congress and removed the right of District of Columbia residents to vote for members of Congress. As a result, residents of the District of Columbia share all responsibilities of citizenship yet are denied full representation in Congress and local self-governance.

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. 34 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2877 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 40

The purpose and intent of this measure is to petition the United States Congress to call a convention for the purpose of proposing a free and fair elections amendment to the United States Constitution pursuant to Article V of the United States Constitution.

Your Committee received testimony in support of this measure from Wolf PAC and twelve individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that free and fair elections are a cornerstone of representative democracy. The stated intention of the framers of the United States Constitution was that the United States Congress be dependent on the people alone. Since the nation's founding, developments in media technology and the social and economic makeup of the United States have resulted in a perceived and actual increase in the influence of powerful economic actors over the political process. The exact nature of these developments could not have been anticipated by the framers of the United States Constitution, and your Committee finds that it is appropriate and necessary to amend the United States Constitution to address the circumstances brought about by those developments. Your Committee notes that a convention to propose amendments pursuant to Article V of the United States Constitution has never occurred in the nation's history, and that it is prudent to take steps to narrow the scope of the convention if possible.

Your Committee has amended this measure by identifying and clarifying the three specific areas of concern that the proposed constitutional convention is requested to address.

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. 40, as amended herein, and recommends that it be referred to your Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 40, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2878 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 15

The purpose and intent of this measure is to request the State's congressional delegation to assist in negotiations with the federal government for the acquisition of the Federal Detention Center, Honolulu (Federal Detention Center).

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 finds that the Federal Detention Center houses federal and state pre-trial detainees, and sentenced felons who have almost completed their prison terms. The center operates far below its total capacity of 1,200 beds. As Hawaii has struggled for years to find additional capacity for overcrowded jails and prisons, acquisition of the Federal Detention Center will help relieve

overcrowding conditions at state facilities and accommodate the return of state inmates who are currently serving terms at out-of-state facilities at a far lower cost than constructing a new 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 concurs with the intent and purpose of S.R. No. 15 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2879 Commerce, Consumer Protection, and Health on S.R. No. 8

The purpose and intent of this measure is to express support for the establishment of the Wahiawa Center for Community Health to provide primary healthcare services to the medically underserved population of Wahiawa and its surrounding rural communities.

Your Committee received testimony in support of this measure from the Department of Health, Hawai'i Primary Care Association, Wahiawa Community and Business Association, AlohaCare, 'Ohana Health Plan, Faith Action for Community Equity, Hawaii Association of Health Plans, and seventeen individuals.

Your Committee finds that approximately 43,000 individuals live in the Wahiawa community, of which fifty-four percent are living in a United States Department of Health and Human Services-designated Medically Underserved Population. This designation reflects the inadequate number of primary care clinicians practicing in Wahiawa and the area's poor socio-economic indicators. Access and availability of healthcare services in Wahiawa is diminishing at a rapid pace, in part due to the scarce number of physicians available to serve the community, are ready to retire or currently working at maximum patient capacity, are not accepting new patients, limit the type of insurance accepted, and cannot serve all of the uninsured who are unable to pay in full.

Your Committee further finds that community organizing and outreach revealed the definite need for a community health center, and the Wahiawa Center for Community Health was established to meet that need. The Wahiawa Center for Community Health was incorporated on January 25, 2012, and recognized by the Internal Revenue Service as a 501(c)(3) nonprofit entity with the express purpose of creating a federally qualified health center in Wahiawa to bring affordable, high quality, and accessible care to the people of Wahiawa, regardless of ability to pay and on a sliding discount scale. The establishment of the Wahiawa Center for Community Health is in the public interest and for the public health, safety, and general welfare to assist in the improvement of the healthcare system for residents of the State.

Your Committee has amended this measure by making technical, nonsubstantive amendments, including to its title, for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 8, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 8, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2880 Commerce, Consumer Protection, and Health on S.C.R. No. 25

The purpose and intent of this measure is to express support for the establishment of the Wahiawa Center for Community Health to provide primary healthcare services to the medically underserved population of Wahiawa and its surrounding rural communities.

Your Committee received testimony in support of this measure from the Department of Health, Hawai'i Primary Care Association, Wahiawa Community and Business Association, AlohaCare, 'Ohana Health Plan, Faith Action for Community Equity, Hawaii Association of Health Plans, and seventeen individuals.

Your Committee finds that approximately 43,000 individuals live in the Wahiawa community, of which fifty-four percent are living in a United States Department of Health and Human Services-designated Medically Underserved Population. This designation reflects the inadequate number of primary care clinicians practicing in Wahiawa and the area's poor socio-economic indicators. Access and availability of healthcare services in Wahiawa is diminishing at a rapid pace, in part due to the scarce number of physicians available to serve the community, are ready to retire or currently working at maximum patient capacity, are not accepting new patients, limit the type of insurance accepted, and cannot serve all of the uninsured who are unable to pay in full.

Your Committee further finds that community organizing and outreach revealed the definite need for a community health center, and the Wahiawa Center for Community Health was established to meet that need. The Wahiawa Center for Community Health was incorporated on January 25, 2012, and recognized by the Internal Revenue Service as a 501(c)(3) nonprofit entity with the express purpose of creating a federally qualified health center in Wahiawa to bring affordable, high quality, and accessible care to the people of Wahiawa, regardless of ability to pay and on a sliding discount scale. The establishment of the Wahiawa Center for Community Health is in the public interest and for the public health, safety, and general welfare to assist in the improvement of the healthcare system for residents of the State.

Your Committee has amended this measure by making technical, nonsubstantive amendments, including to its title, for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health 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 your 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. 2881 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.R. No. 14

The purpose and intent of this measure is to request the Governor to rename a section of Kapule Highway as the Kaua'i Veterans Memorial Highway.

Your Committees received testimony in support of this measure from the Department of Defense Office of Veteran Services, Kauai Veterans Council, and one individual.

Your Committees find that the United States Armed Forces have protected and sustained liberty, freedom, and the American way of life for the citizens of the nation since the founding of the United States. Veterans of the Armed Forces have dedicated their lives to these values and have made tremendous sacrifices to defend and preserve them. It is imperative that the State recognize and honor these veterans and their dedicated service in a tangible, permanent manner.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 14 and recommend that it be referred to your 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 (Baker, Slom).

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (English, Slom).

SCRep. 2882 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on S.C.R. No. 32

The purpose and intent of this measure is to request the Governor to rename a section of Kapule Highway as the Kaua'i Veterans Memorial Highway.

Your Committees received testimony in support of this measure from the Department of Defense Office of Veteran Services, Kauai Veterans Council, and one individual.

Your Committees find that the United States Armed Forces have protected and sustained liberty, freedom, and the American way of life for the citizens of the nation since the founding of the United States. Veterans of the Armed Forces have dedicated their lives to these values and have made tremendous sacrifices to defend and preserve them. It is imperative that the State recognize and honor these veterans and their dedicated service in a tangible, permanent manner.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 32 and recommend that it be referred to your 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 (Baker, Slom).

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (English, Slom).

SCRep. 2883 Water, Land, and Agriculture on H.B. No. 799

The purpose and intent of this measure is to amend the Uniform Aeronautics Act to clarify the authority of the State, its employees, and its independent contractors to kill or attempt to kill wildlife by aerial means in furtherance of official state duties.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Transportation, Big Island Invasive Species Committee, O'ahu Invasive Species Committee, Conservation Council for Hawai'i, and The Nature Conservancy. Your Committee received testimony in opposition to this measure from the County of Hawaii Game and Management Advisory Commission, Club Hui Kuahiwi, Pig Hunters Association of Oahu, Hunting Farming and Fishing Association, Hawaii Sportsmen's Alliance, Hawaii Hunting Association, The Society of Hawaii Heritage Animals, Animal Rights Hawai'i, Hawaii Crop Improvement Association, and forty-two individuals. Your Committee received comments on this measure from the Humane Society of the United States.

Your Committee finds that the Department of Land and Natural Resources is dependent upon the availability of effective tools to accomplish its wildlife management duties. Aerial shooting is one tool that can be highly effective for wildlife management in rugged terrain areas. Your Committee further finds that the Department of Land and Natural Resources has a long-standing aerial shooting policy that addresses a number of citizen concerns, including a policy of providing public notice at least fifteen days in advance. Given the challenges that the State faces in mitigating invasive species, your Committee finds it is important to give the Department of Land and Natural Resources the tools it needs to be effective in that regard.

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 members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 799, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 799, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2884 Water, Land, and Agriculture on H.B. No. 1041

The purpose and intent of this measure is to establish the Game Management Advisory Commission to serve in an advisory capacity to the Board of Land and Natural Resources.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, County of Hawaii Game Management Advisory Commission, Pig Hunters Association of Oahu, Club Hui Kuahiwi, Hawaii'i Farm Bureau, Hunting Farming and Fishing Association, Hawaii Sportsmen's Alliance, Hawaii Hunting Association, The Society for Hawaii Heritage Animals, Big Island Invasive Species Committee, Hawaii Crop Improvement Association, and forty-six individuals. Your Committee received testimony in opposition to this measure from the Conservation Council for Hawaii'i. Your Committee received comments on this measure from the Department of the Attorney General and Animal Rights Hawaii'i.

Your Committee finds that the geography, game animals, environment, and habitat of each Hawaiian island is different. The Game Management Advisory Commission proposed by this measure would be a collaborative effort to bring together those with varying knowledge, experience, and leadership with regard to gaming in the State to work with and advise the Board of Land and Natural Resources on gaming issues. Your Committee finds that the Game Management Advisory Committee is an opportunity for the public gaming community to be heard and its views to be incorporated into the decision-making process of the Board of Land and Natural Resources.

Your Committee has amended this measure by:

- (1) Designating that members, other than the Chairperson of the Board of Land and Natural Resources, must have, in addition to a hunting license, leadership experience in working directly with local hunter or shooting organizations;
- (2) Specifying that the Game Management Advisory Commission's role of advising the Department of Land and Natural Resources on policies, plans, and procedures related to the control of game mammals includes aerial shooting activities by the Department and its contractors;
- (3) Inserting an appropriation amount of \$100,000;
- (4) Inserting an effective date of July 1, 2016; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1041, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1041, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2885 Water, Land, and Agriculture on H.B. No. 2040

The purpose and intent of this measure is to establish a two-year pilot program for a water security advisory group to enable public-private partnerships that increase water security by providing matching state funds for projects and programs that:

- (1) Increase the recharge of groundwater resources;
- (2) Encourage the reuse of water and reduce the use of potable water for landscaping irrigation; and
- (3) Improve the efficiency of potable and agricultural water use.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, City and County of Honolulu Board of Water Supply, Hawaii'i Fresh Water Council, Hawaii'i Community Foundation, Hawaii'i Green Growth, Hawaii'i Farm Bureau, Surfrider Foundation's Oahu Chapter, and two individuals.

Your Committee finds that new and innovative partnerships are needed to catalyze large-scale investment in Hawaii's sustainable development, such as the Aloha+ Natural Capital Investment Partnership, which is a joint public-private conservation commitment that will demonstrate Hawaii's commitment to natural resources management with a special focus on climate resilience at the World Conservation Congress and beyond. Reliable, long-term funding is also needed to meet the State's Aloha+ Challenge conservation targets by 2030, which will require partners from multiple sectors, including county, state, and federal governments as well as private philanthropic and corporate entities, to work together to leverage funds and provide matching opportunities.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2040, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2886 Water, Land, and Agriculture on H.B. No. 1733

The purpose and intent of this measure is to:

- (1) Require the Department of Land and Natural Resources to review an application for renewal of a commercial permit for small boat harbors that is received at least ninety days prior to expiration, and renew the permit or inform the applicant of any reasons for a nonrenewal within thirty days of receiving the application; and
- (2) Authorize a thirty-day grace period for persons who fail to timely obtain renewal of a commercial permit.

Your Committee received testimony in support of this measure from the Ocean Tourism Coalition, Quicksilver Charters, and one individual. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources.

Your Committee finds that the current renewal process for a commercial permit for a small boat harbor does not require early review of a renewal application, timely review to provide an applicant an opportunity to gather requested information, or a grace period for

applicants who fail to obtain a renewal on time. Your Committee further finds that the amendments to the commercial permit renewal process proposed by this measure will increase and promote communication and fairness between the Department of Land and Natural Resources and commercial permit holders.

Your Committee recommends that if your Committee on Commerce, Consumer Protection, and Health chooses to pass this measure, that it consider amending the proposed language in this measure to ensure that the thirty-day grace period does not apply to applicants who have not duly submitted an application for renewal in a timely manner.

Your Committee has amended this measure to take effect upon its approval.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1733, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1733, H.D. 2, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2887 Water, Land, and Agriculture on H.B. No. 2235

The purpose and intent of this measure is to:

- (1) Authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of the Honokohau small boat harbor to a community-based board of Hawaii County, a public-private partnership, or a private organization; and
- (2) Appropriate funds for the repair and maintenance of Honokohau small boat harbor.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, County of Hawai'i Office of the Mayor, Ocean Tourism Coalition, Hawaii Fishing and Boating Association, Kids of Hawaii Nei, Kona-Kohala Chamber of Commerce, and one individual. Your Committee received testimony in opposition to this measure from United Public Workers.

Your Committee finds that Honokohau small boat harbor is an important source of economic activity in the Kona area on the island of Hawaii and is in need of maintenance and repair. Your Committee further finds that the management of the boat harbor by a community-based board, as proposed by this measure, has the potential to be cumbersome and ineffective for the operation of the facility and therefore should not be one of the options authorized by this measure.

Your Committee has amended this measure by:

- (1) Removing the authorization of the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of the Honokohau small boat harbor to a community-based board of Hawaii County;
- (2) Making it effective upon its approval;
- (3) For the appropriation section, inserting an effective date of 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2235, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2235, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2888 Water, Land, and Agriculture on H.B. No. 2721

The purpose and intent of this measure is to require the Department of Land and Natural Resources to implement a management plan developed by the Hawaiian Islands Land Trust for Lipoa Point on Maui and to appropriate funds for that purpose.

Your Committee received comments on this measure from the Department of Land and Natural Resources and Aha Moku Advisory Committee.

Your Committee finds that Lipoa Point on Maui is an area rich in history and resources, including agricultural terraces, marine resources, and near shore fisheries, and is a place where traditional practitioners continue to gather resources for subsistence. Your Committee further finds that it is necessary for this area to be properly managed to ensure protection of its resources while maintaining access for traditional practitioners, residents, and visitors.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$1,225,000; and
- (2) Designating that the appropriation be expended by the Department of Land and Natural Resources for costs associated with the implementation of the Lipoa Point management plan, including:
 - (A) Contracting property maintenance services;
 - (B) Three full-time equivalent (3.0 FTE) Conservation and Resources Enforcement Officer III positions;
 - (C) A master plan; and

(D) An environmental impact statement.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2721, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2721, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2889 Water, Land, and Agriculture on H.B. No. 2675

The purpose and intent of this measure is to appropriate funds to help to continue pathology research by the United States Department of Agricultural Research Service and other organizations to combat rapid ohia death.

Your Committee received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, University of Hawai'i System, Aha Moku Advisory Committee, Conservation Council for Hawai'i, Hawai'i Farm Bureau, The Nature Conservancy, Coordinating Group on Alien Pest Species, and one individual.

Your Committee finds that ohia makes up about fifty percent of the State's native forest and is a keystone species in native watershed areas. Rapid ohia death is devastating thousands of acres of native forest on the island of Hawaii. Your Committee further finds that it is crucial that funds are directed to address this issue.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$600,000;
- (2) Replacing the Department of Agriculture with the Department of Land and Natural Resources as the expending agency for the appropriation;
- (3) Inserting an effective date of July 1, 2016; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2675, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2675, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2890 Water, Land, and Agriculture on H.B. No. 2059

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist RCFC Kehalani, LLC, with Kehalani Offsite Retention Basin improvement work.

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 Department of Budget and Finance.

Your Committee finds that the Kehalani Offsite Retention Basin (Basin) is located in central Maui and serves as a storm retention basin for the Kehalani Subdivision and mauka offsite flows. Construction began on the Basin in 2003 and is still not complete. The Basin is classified as a high hazard structure due to its location and, if it were to fail, would cause probable loss of human life. Your Committee therefore finds that the issuance of special purpose revenue bonds under this measure is in the interest of public health, safety, and welfare.

Your Committee has amended this measure by:

- (1) Reinserting the special purpose revenue bond amount of \$5,570,250; and
- (2) Inserting an effective date of July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2059, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2059, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2891 Water, Land, and Agriculture on H.B. No. 2041

The purpose and intent of this measure is to establish a program to implement standardized water audits of public water systems in accordance with the method adopted by the American Water Works Association's Water Audits and Loss Control Programs, Manual of Water Supply Practices - M36, as amended.

Your Committee received testimony in support of this measure from the City and County of Honolulu Board of Water Supply, Aha Moku Advisory Committee, Hawai'i Green Growth, Hawai'i Community Foundation, Hawai'i Fresh Water Initiative, Surfriider Foundation's O'ahu Chapter, and two individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources and Department of Agriculture.

Your Committee finds that water conservation is among the least expensive and most efficient ways to increase the available supply of fresh water. Water conservation requires improving the efficiency of water delivery and identifying losses to the system. Your

Committee further finds that a water audit helps a utility understand how much water is lost from a distribution system through the detailed analysis of data, which the utility can use to make informed decisions to reduce real or apparent losses. Your Committee acknowledges the testimony of the Department of Land and Natural Resources and supports the suggestion that this measure be amended to reflect the Senate companion bill, S.B. No. 2645, S.D. 2 (Regular Session of 2016), and designate that the water audits required by this measure be conducted by the counties.

Your Committee has amended this measure by:

- (1) Amending language to require the Commission on Water Resource Management to establish a program to provide technical assistance to public water systems and require the counties, rather than the commission, to conduct standardized water audits of public water systems;
- (2) Amending language to require the commission to utilize the American Water Works Association's Free Water Audit Software, Version 5.0 or subsequent versions;
- (3) Inserting language to clarify that validation of water audits shall be level 1 validation;
- (4) Requiring the commission to include, in the water audit program to be implemented on January 1, 2017, a process for level 1 validation of water loss audit reports following the principles and terminology in the American Water Works Association's Water Audits and Loss Control Programs, Manual of Water Supply Practices - M36, as amended;
- (5) Amending language to require the counties to submit an annual report to the commission, rather than requiring the commission to submit an annual report to the Legislature, and beginning on July 1, 2021, requiring all remaining large capacity public water systems and public water systems in water management areas to also submit an annual report to the commission;
- (6) Inserting a definition of "level 1 validation";
- (7) Inserting an appropriation amount of \$650,000;
- (8) Inserting an effective date of July 1, 2016; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2041, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2041, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2892 Commerce, Consumer Protection, and Health on Gov. Msg. No. 635

Recommending that the Senate advise and consent to the nomination of the following:

PEST CONTROL BOARD

G.M. No. 635 RODNEY ONO, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Rodney Ono to possess the requisite qualifications to be nominated to the Pest Control Board.

Your Committee received testimony in support of the nomination of Rodney Ono from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Mr. Ono's background, experience, and dedication to serving his community qualify him for reappointment to the Pest Control Board as a licensed pest control operator member. Your Committee notes that Mr. Ono is an entomologist, has been licensed as a pest control operator in Hawaii since 1985, and is the owner of Hilo Termite & Pest Control, Ltd. Mr. Ono has also been an active member of the Hawaii Pest Control Association for many years, including serving as past President. Your Committee further finds that Mr. Ono has been a member of the Pest Control Board since July 2012 and his valuable insight gained from his years of experience as a licensed pest control operator continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Ono be considered for reappointment to the Pest Control Board based on his knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2893 Commerce, Consumer Protection, and Health on H.B. No. 939

The purpose and intent of this measure is to clarify that the Department of Health may amend birth certificates to establish or change parenthood only pursuant to a court order or other legal establishment of parenthood and that the amendment shall not be considered a correction of a personal record under the Uniform Information Practices Act.

Your Committee received testimony in support of this measure from the Department of Health, Department of the Attorney General, and Office of Information Practices.

Your Committee finds that births are required to be registered in the State, and birth certificates are used as prima facie evidence to prove important factors such as identity, citizenship, parenthood, age, sex, and race. There are legal presumptions regarding parenthood that are established by law, and the rights of parents, which are protected by the federal and state constitutions, can be significantly impacted by birth certificate amendments regarding parenthood. Existing law allows persons to file late birth certificates or amend birth certificates upon submitting proof required by the Department of Health. However, because the Department of Health is not qualified to evaluate anecdotal or genetic evidence of parenthood and has no means to afford due process to existing parents whose rights would effectively be terminated by an amendment that changes a parent on a birth certificate, individuals have sued the Department and been awarded attorney's fees and other costs. This measure would assure that changes to parental rights arising from birth certificate amendments would be subject to judicial determination and existing legal presumptions regarding parenthood, support the Department of Health's longstanding interpretation of its own law and rules, maintain the accuracy of vital records in Hawaii, and protect the State from significant unnecessary costs and attorney's fees.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 939, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 2894 (Joint/Majority) Commerce, Consumer Protection, and Health and Judiciary and Labor on H.B. No. 1072

The purpose and intent of this measure is to authorize the Board of Psychology to issue certificates of prescriptive authority to medical psychologists who meet certain education, training, and registration requirements.

Prior to the hearing on this measure, your Committees made available for public review a proposed S.D. 1 of this measure. The proposed S.D. 1 deleted the contents of this measure and inserted provisions that authorize the Board of Psychology to grant prescriptive authority to prescribing psychologists who meet specific education, training, and registration requirements, such as:

- (1) Requiring applicants for prescriptive authority privilege to have graduated with a post-doctoral master's degree in clinical psychopharmacology and successfully passed a national psychopharmacology examination, among other requirements;
- (2) Specifying that only those clinical psychologists granted prescriptive authority privilege by the Board of Psychology are lawfully able to prescribe;
- (3) Mandating continuing education requirements for prescribing psychologists, in addition to existing continuing education requirements for licensed psychologists; and
- (4) Requiring prescribing psychologists to prescribe only in consultation and collaboration with a patient's primary care provider.

Your Committees received testimony in support of the proposed S.D. 1 from the Department of Health; Board of Psychology; Hawai'i State Center for Nursing; County of Maui, Office of the Mayor; County of Hawai'i, Office of the Prosecuting Attorney; National Association of Social Workers, Hawaii Chapter; Hawaii Medical Service Association; Big Island Substance Abuse Council; Ho'omana Pono, LLC; Hana Health; PHOCUSED; Mental Health America of Hawai'i; eighty individuals; and a petition signed by over eight hundred individuals. Your Committees received testimony in opposition to the proposed S.D. 1 from the American Psychiatric Association, Hawaii Medical Association, Bradley Kuo LLC, twenty-one individuals, and a petition signed by over two hundred individuals.

Your Committees find that the mental health needs of individuals in Hawaii continue to outweigh the capacity of the State's mental health system. According to a December 2014 report on findings from the Hawaii Physician Workforce Assessment Project, physician shortages, including psychiatry, are highest in Hawaii's rural areas. The neighbor islands are particularly impacted by a shortage of psychiatrists, with Maui County facing a 41.2 percent shortage, followed by Hawaii County at 39.2 percent, and Kauai County at 29.5 percent. Increasing access to qualified health care professionals who are trained in the pharmacological treatment of mental and emotional disorders is therefore of critical importance for the State.

Your Committees further find that licensed clinical psychologists with specialized education and training in preparation for prescriptive practice have been allowed to prescribe psychotropic medications to active duty military personnel and their families in federal facilities and the United States Public Health Service, including the Indian Health Service, for decades. In recent years, Illinois, Louisiana, and New Mexico have successfully adopted legislation authorizing prescriptive authority for advanced trained psychologists.

Your Committees additionally find that the post-doctoral, master's level clinical psychopharmacology training requirement in the proposed S.D. 1 is equivalent to the American Psychological Association's recommendations specific to the practice of prescribing psychotropic medication. Post-doctoral psychopharmacological training programs have been available in Hawaii since 2001. Furthermore, according to testimony received by your Committees, the Master of Science in Clinical Psychopharmacology at the University of Hawaii at Hilo Daniel K. Inouye College of Pharmacy attained program recognition from the American Psychological Association in 2015, and is one of only four programs in the country to receive such a distinction.

Finally, your Committees note that the proposed S.D. 1 is different than measures on similar topics that were introduced during prior legislative sessions. Importantly, your Committees note that the proposed S.D. 1 requires a collaborative agreement between a prescribing psychologist and a primary care provider and does not permit a prescribing psychologist to prescribe absent or without a collaborative agreement. Furthermore, the education and training in the proposed S.D. 1, based in part on the already-proven training of the United States Department of Defense Psychopharmacology Demonstration Project and consistent with the American Psychological Association's recommendations for post-doctoral training in psychopharmacology for prescription privileges, will provide clinical psychologists with the core knowledge needed to prescribe psychotropic medication safely and effectively.

Your Committees conclude that the proposed S.D. 1 includes specific training and education requirements and assurances for patient safety; ensures that only those clinical psychologists with appropriate education, clinical training, and registration will be authorized to prescribe; and is a viable option to benefit and improve access to care in Hawaii's rural and medically underserved areas.

Accordingly, your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Specifying that the Board of Psychology shall accept applications for prescriptive authority privilege from qualified applicants beginning on July 1, 2018, to give the Board sufficient time to administratively prepare for the granting or renewal of prescriptive authority privilege to qualified psychologists;
- (2) Specifying that a first-time prescriptive authority privilege holder shall not be subject to the continuing education requirements for a first-time prescriptive authority privilege renewal;
- (3) Requiring a written collaborative agreement between a patient's primary care provider and a prescribing psychologist to be established and signed prior to the prescribing psychologist prescribing any psychotropic medication for the patient;
- (4) Specifying that for a patient who is forensically encumbered or who has a diagnosis of serious mental illness, a prescribing psychologist:
 - (A) Shall prescribe only in accordance with a treatment protocol agreed to by the prescribing psychologist and the treating Department of Health psychiatrist, and with notification to all other health care providers treating the patient; and
 - (B) May enter into a collaborative agreement with the Department of Health;
- (5) Defining "forensically encumbered" and "serious mental illness";
- (6) Clarifying that under the exclusionary formulary, a prescribing psychologist shall not prescribe for off-label use for patients seventeen years of age or younger;
- (7) Specifying that in addition to civil and criminal penalties for violations of the law relating to prescribing psychologists, violators may also be subject to disciplinary action by the Board;
- (8) Inserting conforming amendments within chapter 329, Hawaii Revised Statutes, to cover specific limited situations where a prescribing psychologist could prescribe psychotropic medication for the treatment of attention deficit hyperactivity disorder, including stimulants, regardless of the stimulant's schedule classification;
- (9) Requiring the Board of Psychology to submit a report to the Legislature, no later than twenty days prior to the convening of the Regular Session of 2020, regarding the authorization of prescriptive authority to certain qualified psychologists and requiring the Board to collaborate with the Department of Health when preparing information in the report regarding the treatment of patients who are forensically encumbered or who have a diagnosis of serious mental illness; 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, Consumer Protection, and Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1072, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1072, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6; Ayes with Reservations (Kidani, Nishihara). Noes, 1 (Slom). Excused, none.

Judiciary and Labor: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 2895 Commerce, Consumer Protection, and Health on H.B. No. 2227

The purpose and intent of this measure is to appropriate funds to continue the operations of the Statewide Language Access Resource Center and multilingual website pilot project within the Office of Language Access.

Your Committee received testimony in support of this measure from the Office of Language Access; Office of Language Access Advisory Council; American Civil Liberties Union of Hawai'i; Asian American Network for Cancer Awareness Research and Training; Faith Action for Community Equity; Filipino American Citizens League; Hawai'i Friends of Civil Rights; National Federation of Filipino American Associations, Region 12; Nursing Advocates and Mentors, Inc.; Hawaii Filipino Lawyers Association; Ethnic Education Foundation of Hawaii; Catholic Charities Hawai'i; and one individual.

Your Committee finds that the Statewide Language Access Resource Center and the multilingual website pilot project, established pursuant to Act 217, Session Laws of Hawaii 2013, provide meaningful access to important state and state-funded benefits and services to persons who have a limited ability to read, write, speak, or understand English. While the establishment of the Statewide Language Access Resource Center and the multilingual website pilot project was undertaken by the Office of Language Access with advance preparation, the implementation of the pilot project was delayed due to unforeseen challenges associated with the transfer of the Office of Language Access from the Department of Labor and Industrial Relations to the Department of Health pursuant to Act 201, Session Laws of Hawaii 2012.

Your Committee further finds that more funding is necessary to maintain and continue the services for limited English proficient individuals through the Statewide Language Access Resource Center and the multilingual website pilot project.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2227, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 2896 Commerce, Consumer Protection, and Health on H.B. No. 2311

The purpose and intent of this measure is to authorize the Department of Health to continue to disclose, through July 1, 2018, lists of names and partial social security numbers of persons whose deaths have been recorded by the Department to state agencies that maintain official lists of persons and are prohibited by federal law from sharing information for the lists.

Your Committee received testimony in support of this measure from the Department of Human Services and Hawaii Employer-Union Health Benefits Trust Fund. Your Committee received comments on this measure from the Grassroot Institute of Hawaii.

Your Committee finds that although the Department of Health is allowed to verify information contained in vital statistics records by employing a process that matches its vital statistics information with information provided by agencies, that process cannot be used by state agencies whose lists are confidential under federal law.

Your Committee further finds that some governmental agencies within the State that keep official lists of persons need to know when members on their lists have died. Such notification of death is important in maintaining the integrity of certain programs, such as Medicaid, by stopping unnecessary payments to contracted managed care health plans on behalf of deceased individuals. Allowing the Department of Health to report deaths to state agencies that maintain official lists that are confidential under federal law would assist state agencies to maximize the accuracy of their official lists and avoid overpaying benefits and wasting public funds.

Your Committee has amended this measure by:

- (1) Inserting an effective date of June 30, 2016; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2311, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2311, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 2897 Commerce, Consumer Protection, and Health on S.R. No. 23

The purpose and intent of this measure is to urge the Department of Health to endorse the "Screen at 23" campaign that screens adult Asian Americans for type 2 diabetes at a body mass index of 23.

Your Committee received testimony in support of this measure from the Department of Health and thirteen individuals.

Your Committee finds that diabetes is the fifth leading cause of death among Asian Americans. Asian Americans face a health care disparity in type 2 diabetes detection and diagnosis, as the current guidelines for screening Asian Americans at a body mass index of 25 not only miss thirty-two percent of diabetes diagnoses in Hawaii, but also underestimate the prevalence of pre-diabetes among Asian Americans.

Your Committee further finds that early detection and treatment can mitigate diabetes-related complications, risks, and costs, as interventions focusing on nutrition, physical activity, and healthy weight loss have been shown to reverse pre-diabetes, improve glucose function in people with diabetes, and reduce the need for multiple medications. Screening Asian American patients at a body mass index of 23 instead of 25 would unmask thousands of new diabetes cases and more than three times that amount of new pre-diabetes cases in the State. This measure allows Hawaii the opportunity to be one of the first states to formally recognize and recommend screening adult Asian Americans for type 2 diabetes at a body mass index of 23, enabling thousands of individuals to get the early care and treatment needed to live healthier lives.

Your Committee has amended this measure by:

- (1) Inserting findings related to the United States Preventative Services Task Force's recommendation about earlier screening for persons in certain ethnic groups due to increased risk for diabetes at a younger age or lower body mass index; 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, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 23, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 23, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2898 Commerce, Consumer Protection, and Health on S.C.R. No. 49

The purpose and intent of this measure is to urge the Department of Health to endorse the "Screen at 23" campaign that screens adult Asian Americans for type 2 diabetes at a body mass index of 23.

Your Committee received testimony in support of this measure from the Department of Health and thirteen individuals.

Your Committee finds that diabetes is the fifth leading cause of death among Asian Americans. Asian Americans face a health care disparity in type 2 diabetes detection and diagnosis, as the current guidelines for screening Asian Americans at a body mass index of 25

not only miss thirty-two percent of diabetes diagnoses in Hawaii, but also underestimate the prevalence of pre-diabetes among Asian Americans.

Your Committee further finds that early detection and treatment can mitigate diabetes-related complications, risks, and costs, as interventions focusing on nutrition, physical activity, and healthy weight loss have been shown to reverse pre-diabetes, improve glucose function in people with diabetes, and reduce the need for multiple medications. Screening Asian American patients at a body mass index of 23 instead of 25 would unmask thousands of new diabetes cases and more than three times that amount of new pre-diabetes cases in the State. This measure allows Hawaii the opportunity to be one of the first states to formally recognize and recommend screening adult Asian Americans for type 2 diabetes at a body mass index of 23, enabling thousands of individuals to get the early care and treatment needed to live healthier lives.

Your Committee has amended this measure by:

- (1) Inserting findings related to the United States Preventative Services Task Force's recommendation about earlier screening for persons in certain ethnic groups due to increased risk for diabetes at a younger age or lower body mass index; 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, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 49, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 49, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 2899 Commerce, Consumer Protection, and Health on Gov. Msg. No. 636

Recommending that the Senate advise and consent to the nomination of the following:

ADMINISTRATOR, HAWAII STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

G.M. No. 636 ROMALA RADCLIFFE, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Romala Radcliffe to possess the requisite qualifications to be reappointed for the position of Administrator of the State Health Planning and Development Agency.

Your Committee received testimony in support of the nomination of Romala Radcliffe from the Governor; Healthcare Association of Hawaii; Island Hospice, Inc.; Capitol Consultants of Hawaii, LLP; Hawaii Friends of Civil Rights; Schewe Travel Associates; Kaiser Permanente Hawaii; and thirty-one individuals.

Your Committee finds that Ms. Radcliffe is presently the Administrator of the State Health Planning and Development Agency, a position she has held since 2011, and has previous work experience at Kahala Nui Senior Living as an Administrator of Hi'olani Care Center, Licensed Nursing Home Administrator, and Director of Education. Your Committee further finds that Ms. Radcliffe's extensive experience in health care systems and management, as well as her extensive community service activities and affiliations, provides her with an essential foundation to understand issues she will continue to encounter as Administrator of the State Health Planning and Development Agency. Your Committee therefore recommends that Ms. Radcliffe be reappointed as Administrator of the State Health Planning and Development Agency based on her proven leadership, background in health care administration, knowledge, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Nishihara, Ruderman).

SCRep. 2900 Commerce, Consumer Protection, and Health on H.B. No. 2226

The purpose and intent of this measure is to appropriate funds for three full-time equivalent permanent positions within the Office of Language Access.

Your Committee received testimony in support of this measure from the Office of Language Access; Office of Language Access Advisory Council; American Civil Liberties Union of Hawai'i; Asian American Network for Cancer Awareness Research and Training; Hawai'i Coalition for Immigrant Rights; Filipino American Citizens League; Hawai'i Friends of Civil Rights; National Federation of Filipino American Associations, Region 12; Nursing Advocates and Mentors, Inc.; Hawaii Filipino Lawyers Association; Catholic Charities Hawai'i; and five individuals.

Your Committee finds that the Office of Language Access is charged with providing oversight, central coordination, and technical assistance to state and state-funded agencies in their implementation of language access compliance, which is a civil right under federal and state law. While the Office of Language Access was initially able to provide much needed services and guidance to agencies as the agencies worked toward compliance with federal and state law, a reduction in staff has made it difficult for the Office of Language Access to provide adequate technical assistance and compliance monitoring that meet agencies' needs.

Your Committee further finds that in the last few years, there has been an increase in legal action and compliance monitoring from civil rights divisions of various federal agencies. Because there have been instances where state departments and county agencies have been subject to legal action for lack of compliance, your Committee finds that the services of the Office of Language Access in

assisting state and state-funded agencies in understanding and meeting certain civil rights obligations to provide language access are critical in avoiding costly penalties and expenses or the loss of federal funding.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2226, H.D. 2, and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Nishihara, Ruderman).

SCRep. 2901 Commerce, Consumer Protection, and Health on H.B. No. 2084

The purpose and intent of this measure is to prohibit health insurers, mutual benefit societies, and health maintenance organizations from discriminating against a person with respect to participation and coverage under a policy, contract, plan, or agreement on the basis of the person's actual gender identity or perceived gender identity.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, Kaiser Permanente, Planned Parenthood Votes Northwest and Hawaii, Hawaii Association of Professional Nurses, Equality Hawai'i, LGBT Caucus of the Democratic Party of Hawai'i, American Civil Liberties Union of Hawai'i, and ten individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Hawaii Medical Service Association, and one individual.

Your Committee finds that many health insurance plans and policies include some form of transgender-specific exclusions. As a result, transgender individuals are excluded from health care coverage based on actual gender identity or perceived gender identity, rather than because of lack of medical necessity of treatment. While discriminatory exclusions in health insurance policies can impact transition-related services, these exclusions may also prevent transgender individuals from obtaining common wellness care treatment. Discrimination against the transgender community can have profound effects on the health care system as a whole, including increased emergency room visits, hospital admissions, and long term care needs that result from delayed or denied treatment for transgender individuals.

Your Committee further finds that ten jurisdictions, including the District of Columbia, have laws and policies protecting against discriminatory exclusions and denials of treatment based on gender identity, in at least some circumstances. The federal government is also currently acting to address the issue of discriminatory exclusions in health insurance plans. Implementation of this measure will enable Hawaii to follow this national trend by prohibiting discrimination in health care coverage, services, and treatment on the basis of actual gender identity or perceived gender identity.

Your Committee has amended this measure by:

- (1) Specifying that the non-discrimination provisions proposed by this measure shall apply to all health benefits plans under chapter 87A, Hawaii Revised Statutes;
- (2) Clarifying that the non-discrimination provisions proposed by this measure shall apply to all policies, contracts, plans, or agreements issued or renewed in Hawaii on or after January 1, 2017; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2084, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2084, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2902 Commerce, Consumer Protection, and Health on H.B. No. 2319

The purpose and intent of this measure is to amend requirements under the money transmitters law for money transmitter licensee change in control applications and update a reference to federal Regulation E.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that under the existing money transmitters law, only a money transmitter licensee may submit an application to the Commissioner of Financial Institutions requesting approval for a proposed change in control of the money transmitter licensee. This is impracticable in hostile takeover situations in which a licensee may be uncooperative. Accordingly, this measure expands the class of persons who may apply for the Commissioner's approval of a change in control. This measure also enhances consumer protection by enabling the Division of Financial Institutions of the Department of Commerce and Consumer Affairs to conduct criminal history record checks on persons assuming control of the money transmitter licensee, which will enable the Commissioner to determine whether the persons requesting approval of the change in control possess the requisite character and general fitness to properly and lawfully control the licensee without jeopardizing the interests of the public.

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

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2319, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2319, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2903 Commerce, Consumer Protection, and Health on H.B. No. 2335

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Medical Board to impose the same disciplinary action against a licensee as was taken by another state or federal agency;
- (2) Establish conditions for the disciplinary action;
- (3) Prohibit the licensee from practicing until a final order of discipline is issued if the licensee has been prohibited from practicing in another state; and
- (4) Authorize the Hawaii Medical Board to summarily suspend a license within forty-eight hours of receipt of evidence of revocation, suspension, or other disciplinary action against a licensee by another state or federal agency.

Your Committee received testimony in support of this measure from the Hawaii Medical Board, Hawaii Medical Association, Hawaii Medical Service Association, and The Queen's Health Systems. Your Committee received testimony in opposition to this measure from one individual. 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 under existing law, the reasons for which the Hawaii Medical Board can impose reciprocal discipline on a Hawaii licensee are limited. This measure will protect Hawaii consumers during the disciplinary process by prohibiting a licensee who has been banned from practicing in another jurisdiction from practicing in Hawaii until the Hawaii Medical Board issues a final order. This protection ensures that Hawaii patients will not be at risk of receiving medical treatment from a licensee who was the subject of serious discipline elsewhere.

Your Committee notes that this measure also authorizes the Hawaii Medical Board to summarily suspend a license within forty-eight hours of receipt of evidence of revocation, suspension, or other disciplinary action against a licensee by another state or federal agency. Although your Committee recognizes the benefit of this additional enforcement mechanism, your Committee believes that the reciprocal discipline provisions in this measure, rather than summary suspension procedures, more appropriately address situations when a Hawaii licensee is disciplined by another state or federal agency. Furthermore, your Committee is concerned that the due process requirements that must be met prior to summarily suspending a license may be difficult to satisfy based on disciplinary action taken elsewhere, particularly when a Hawaii licensee is not currently practicing in the State.

Accordingly, your Committee has amended this measure by:

- (1) Deleting language that would have authorized the Hawaii Medical Board to summarily suspend a license within forty-eight hours of receipt of evidence of revocation, suspension, or other disciplinary action against a licensee by another state or federal agency; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure will enable the Hawaii Medical Board to keep pace with its counterparts nationwide and enable the Board to timely and appropriately respond to disciplinary actions taken elsewhere against Hawaii licensees.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2335, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2335, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2904 Commerce, Consumer Protection, and Health on H.B. No. 2327

The purpose and intent of this measure is to clarify the scope of powers of the Office of Consumer Protection investigators.

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 when section 487-10, Hawaii Revised Statutes, was originally enacted in 1969, only police officers or sheriffs were legally authorized to serve legal documents in Hawaii. As a result, the Legislature decided to explicitly provide police powers to Office of Consumer Protection investigators, so they could also serve subpoenas and service of process. However, as service of these documents is no longer restricted to police officers and sheriffs, it is no longer appropriate or necessary to extend such broad authority to Office of Consumer Protection investigators. This measure therefore clarifies that the power and authority of Office of Consumer Protection investigators under section 487-10, Hawaii Revised Statutes, pertains only to the service of process and service of subpoenas.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2327, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2905 Commerce, Consumer Protection, and Health on H.B. No. 2329

The purpose and intent of this measure is to clarify that the State is not subject to a statute of limitations period for claims pursuant to chapter 480, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and the Hawaii Association for Justice.

Your Committee finds that Hawaii common law has long recognized that statutory limitations do not apply to actions initiated by the State. The Legislature codified this longstanding common law rule in 1991. Although section 480-24(b), Hawaii Revised Statutes, contains a tolling provision for claims brought by the State, the codification of the common law rule that the State is not subject to statutes of limitations made the pre-existing tolling language in this section superfluous. Your Committee further finds that the Legislature has made it clear that unless there is a specific designation in statute stating that a statute of limitations applies to actions initiated by the State, none exists. Since no specific designation appears in section 480-24(b), Hawaii Revised Statutes, the repeal of the tolling language in this section is appropriate and necessary.

Finally, your Committee notes that chapter 480, Hawaii Revised Statutes, relating to monopolies and restraints of trade, is one of the most important statutory tools given to the State to protect the people of Hawaii. This measure preserves the right of the State to seek redress for harm done and deter future bad conduct by persons who would seek to take unfair advantage of Hawaii consumers.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2329, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2906 Commerce, Consumer Protection, and Health on H.B. No. 2639

The purpose and intent of this measure is to:

- (1) Require a wireless telecommunications service provider that receives an opt-out request from a victim of domestic abuse to transfer the billing authority and all rights to the shared wireless plan to the victim or remove the victim from the shared wireless plan and assign the victim a substitute telephone number, without charge, penalty, or fee;
- (2) Specify that there is no cause of action against a wireless telecommunications service provider, its officers, employees, or agents for transferring billing authority and all rights to a wireless telephone number to a domestic abuse victim; and
- (3) Expand acts of abuse, the victims of which may be eligible for protections under this measure.

Your Committee received testimony in support of this measure from the Hawaii State Coalition Against Domestic Violence, AT&T, Sprint, and Verizon. Your Committee received comments on this measure from the Domestic Violence Action Center.

Your Committee finds that victims of domestic abuse 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. Act 219, Session Laws of Hawaii 2015 (Act 219), addressed these barriers by, among other things, requiring wireless telecommunications service providers to release domestic violence victims from shared service plans upon request and with documentation. This measure expands on the requirements of Act 219 by: providing necessary liability protection for wireless telecommunications service providers who transfer the wireless telephone number of a victim of domestic abuse; providing wireless telecommunications service providers with a reasonable deadline to complete the transfer or change of service for a victim of domestic abuse; and ensuring that the transfer of billing authority or removal or release of a victim of domestic abuse from a wireless plan is done without charge, penalty, or fee.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2639, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2907 Commerce, Consumer Protection, and Health on H.B. No. 2704

The purpose and intent of this measure is to establish an exemption from Hawaii securities law for limited intrastate investments with Hawaii businesses.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association, Chamber of Commerce Hawaii, and National Federation of Independent Business Hawaii. Your Committee received testimony in opposition to this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure provides for explicit statutory authority for the adoption of an intrastate crowdfunding exemption through rulemaking. Such an exemption would provide a mechanism for start-up businesses based in Hawaii to obtain financing from local investors. Your Committee further finds that this measure will encourage development of the startup and innovation section in Hawaii, which will positively impact Hawaii's economy.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2704, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2908 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2422

The purpose and intent of this measure is to:

- (1) Require publicly-traded companies or entities ultimately solely owned by publicly-traded companies to provide information for officers designated as primary decisionmakers regarding the purchase and sale of liquor;
- (2) Clarify that the requirement of prior approval from a county liquor commission regarding a change in ownership of at least twenty-five percent of a corporation's outstanding capital stock applies only to voting stock; and
- (3) Allow applicants for a liquor license or license renewal, or transferor and transferee in the case of a license transfer, to present a tax clearance certificate from the Department of Taxation and Internal Revenue Service evidencing that they do not owe delinquent taxes, penalties, or interest.

Your Committee received testimony in support of this measure from the Department of Liquor Control, County of Kauai; Hawaii Food Industry Association; Times Supermarket; Kona Brewing Company; and two individuals. Your Committee received comments on this measure from the Liquor Commission, City and County of Honolulu; and Department of Liquor Control, County of Maui.

Your Committee finds that the existing process to transfer liquor licenses is cumbersome. Many companies that produce, purchase, or sell liquor in Hawaii and throughout the nation have multiple owners and officers, and numerous locations. This measure will clarify certain circumstances that warrant a license transfer and make the transfer process more efficient for transferors, transferees, and the liquor commissions.

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. 2422, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2909 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2389

The purpose and intent of this measure is to allow the use of funds deposited into the federal reimbursement maximization special fund for corrections workforce recruitment and retention.

Your Committee received testimony in support of this measure from the Department of Public Safety and United Public Workers.

Your Committee finds that this measure provides for funds deposited into the federal reimbursement maximization special fund to be used to recruit and retain employees in the corrections workforce. This allowed use of funds aligns with provisions in other federal and state programs.

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. 2389, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 2910 Human Services on H.B. No. 900

The purpose and intent of this measure is to strengthen the State's ability to prosecute individuals who fraudulently obtain medical assistance.

Your Committee received testimony in support of this measure from the Department of the Attorney General and Department of Human Services.

Your Committee finds that this measure will allow for more effective prosecution of applicants who fraudulently obtain medical assistance paid for by the State. Existing law could be interpreted to apply only to fraud committed by health care providers, and not to fraud committed by individual recipients of medical assistance benefits. This measure will make it clear that the law also applies to fraud committed by individual recipients and enable prosecutors to commence actions for medical assistance fraud beyond the three-year statute of limitations established by section 701-108(2), Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 900, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2911 Human Services on H.B. No. 2162

The purpose and intent of this measure is to appropriate funds to the Homeless Programs Office of the Department of Human Services to develop or expand homeless services, including assistance and public outreach for individuals to obtain and maintain government issued identification.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness under the Office of the Governor, Department of Human Services, Hawaii Youth Services Network, and three individuals.

Your Committee finds that to access basic needs and fully participate in modern society, it is essential for individuals to have the ability to establish their identity and obtain and maintain valid government issued identification. With the passage of the federal REAL

ID Act, individuals must possess and maintain their vital records, which can be difficult for homeless individuals, the elderly, low income individuals, recently released prisoners, and other vulnerable individuals, to establish an identity and principal address to obtain and maintain REAL ID compliant identification. This measure will provide resources to the Homeless Programs Office to assist these individuals in that regard and generally improve homeless services.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2162, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2912 Human Services on H.B. No. 1346

The purpose and intent of this measure is to require the Office of Youth Services to coordinate a positive youth development program to provide after school and school break programs for middle and high school students focused on prevention and intervention and appropriate funds for that purpose.

Your Committee received testimony in support of this measure from the Office of Youth Services, Hawaii Youth Services Network, and five individuals.

Your Committee finds that youth violence and truancy are a significant problem in many neighborhoods, a problem compounded by a lack of after school and school break programs and services. The 2005 Youth Gangs report by the Office of Youth Services noted that the areas with the highest levels of reported gang involvement also had low reported levels of community and family involvement.

Your Committee further finds that there are several common denominators in the lives of at-risk youth, including lack of connectedness, sense of not belonging, and failure in school. Providing quality after school and school break programs addresses these critical issues as a preventative measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1346, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2913 Human Services on H.B. No. 2344

The purpose and intent of this measure is to address an inconsistency in statutory requirements regarding orders for immediate protection by allowing the Department of Human Services discretion when determining whether to seek an order for immediate protection of vulnerable adults.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that section 346-228, Hawaii Revised Statutes, allows but does not require the Department of Human Services to seek an order for immediate protection to prevent abuse. In fiscal year 2015, the Department of Human Services investigated 980 vulnerable adult abuse cases statewide. Of those 980 investigations, orders for immediate protection were sought in approximately 25 cases. The immediate court intervention was necessary because the adults in those cases lacked the capacity to consent to the provision of services, and the action was necessary to ensure their health and safety. In all other cases, the vulnerable adults or their legal representatives were able to give consent for the provision of services, and court intervention was not necessary. This measure will align the language in sections 346-228 and 346-231(a), Hawaii Revised Statutes, thereby clarifying the Department of Human Services' authority to use other remedies where court intervention would not be appropriate or necessary.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2344, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2914 Human Services on H.B. No. 2340

The purpose and intent of this measure is to authorize the Department of Human Services to conduct criminal history record checks on alleged perpetrators of harm or threat of harm to a child and all adults living in the family home of an alleged child victim, without consent, when an assessment is required under the Child Protective Act.

Your Committee received testimony in support of this measure from the Department of Human Services, Family Programs Hawaii, and two individuals.

Your Committee finds that there is a compelling state interest to protect children from potential harm. When credible allegations of child abuse or a significant potential for child abuse exists, the Department of Human Services must conduct a thorough assessment to determine the safety of the family home. Criminal history record checks are a valuable tool for investigating the level of probable risk a child faces from the adults in the child's immediate environment.

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 that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2340, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2340, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2915 Transportation and Energy on H.B. No. 1853

The purpose and intent of this measure is to extend the authorization of the issuance of special purpose revenue bonds to BioEnergy Hawaii, LLC, for the purpose of establishing a cogeneration facility and related energy production facilities from June 30, 2016, to June 30, 2021.

Your Committee received testimony in support of this measure from the Department of Transportation, BioEnergy Hawaii, LLC; Hawaii Gas; Ulupono Initiative; and one individual.

Your Committee finds that BioEnergy Hawaii, LLC, is a Hawaii limited liability company, which is owned and managed by Pacific Waste, Inc., a Hawaii Corporation with its principal offices in Kailua-Kona, Hawaii. BioEnergy Hawaii's primary business is the design, construction, and operation of one or more bioconversion facilities in the State of Hawaii. Its proposed facility will sort, separate, and process commercial municipal solid waste into a usable materials and feedstock. The separated feedstocks will be converted through integrated technology designed to produce renewable energy.

Your Committee further finds that this measure will provide BioEnergy Hawaii, LLC, with adequate time to fulfill all the necessary requirements prior to the bond issuance.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1853, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Gabbard, Slom).

SCRep. 2916 Human Services on H.B. No. 2350

The purpose and intent of this measure is to bring the State into compliance with the Preventing Sex Trafficking and Strengthening Families Act of 2014 by:

- (1) Expanding the opportunities for children in foster care to participate equally with their classmates and peers by providing qualified immunity from liability for resource caregivers and child caring institutions for their decisions regarding the child's participation in age-appropriate or developmentally appropriate extracurricular, enrichment, cultural, and social activities; and
- (2) Lowering the age from sixteen to fourteen years of age of children in foster care who are to be consulted in development of their foster care plan.

Your Committee received testimony in support of this measure from the Department of Human Services; Family Program Hawaii's It Takes an Ohana Program; Hale 'Ōpio Kaua'i, Inc.; and twenty-three individuals. Your Committee received comments on this measure from the Hawaii Association for Justice.

Your Committee finds that the Preventing Sex Trafficking and Strengthening Families Act of 2014, Public Law 113-183, expands the opportunities for children in foster care to participate equally in age-appropriate or developmentally appropriate extracurricular, enrichment, cultural, and social activities as their classmates and peers in accordance with the "reasonable and prudent parent standard" and requires children in foster care, fourteen years of age and older, to be included in case planning and be informed of their rights and options available to them. Your Committee further finds that this measure will protect and enhance the capacity of resource caregivers and child caring institutions to encourage and support children to participate in ordinary childhood activities. Your Committee also recognizes that children who are fourteen years of age and older should be included in the important planning processes that will strengthen their self-sufficiency and better prepare them for successful transition from foster care into adulthood.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2350, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2917 Human Services on H.B. No. 2163

The purpose and intent of this measure is to appropriate monies to fund operational costs to provide therapeutic prevention and mental health programs for high risk youth.

Your Committee received testimony in support of this measure from the Office of Youth Services, Honolulu Department of the Prosecuting Attorney, W. R. Farrington High School, Adult Friends for Youth, Hawaii Building and Construction Trades Council, International Brotherhood of Electrical Workers Local Union No. 1186, Parents and Children Together, The Family Violence and Sexual Assault Institute, and thirteen individuals.

Your Committee finds that programs providing therapeutic prevention and mental health services for high risk youth are necessary components to preventing violence and juvenile delinquency associated with gang membership.

Your Committee has amended this measure by:

- (1) Adopting language suggested by The Family Violence and Sexual Assault Institute to add training and program evaluation to the types of services to be funded; 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 that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2163, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2163, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2918 Human Services on H.B. No. 1774

The purpose and intent of this measure is to appropriate funds to the:

- (1) Department of Human Services for additional outreach to homeless individuals and families with children; and
- (2) Office of Youth Services for outreach to unaccompanied homeless youth.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Office of Youth Services, Office of the Mayor of the County of Maui, Catholic Charities Hawaii, Community Alliance on Prisons, Hale Kipa, Hawaii Children's Action Network, Partners In Care, PHOCUSED, Hawaii Youth Services Network, and two individuals.

Your Committee finds that it is an important and effective strategy to focus outreach services on populations of homeless individuals who share particular characteristics when addressing homeless issues. This measure will provide funds to support the Department of Human Services' and Office of Youth Services' efforts in this area.

Your Committee has amended this measure by:

- (1) Inserting an appropriation of \$300,000 to the Office of Youth Services for outreach to unaccompanied homeless youth;
- (2) Inserting an effective date of July 1, 2016; 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 that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1774, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1774, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2919 Commerce, Consumer Protection, and Health on H.B. No. 2326

The purpose and intent of this measure is to make numerous amendments to Hawaii's Mortgage Rescue Fraud Prevention Act, for consistency with the federal Mortgage Assistance Relief Services Rule.

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 there was no federal counterpart to Hawaii's Mortgage Rescue Fraud Prevention Act, which protects consumers from mortgage rescue scams, until 2010, when the Federal Trade Commission adopted the Mortgage Assistance Relief Services Rule. Your Committee further finds that although the state law and federal regulation are designed to protect consumers from abusive mortgage relief practices, they take different approaches to identify consumers who may be in need of protection. For example, Hawaii's law focuses on properties already in distress, while the federal regulation focuses more broadly on the nature of mortgage assistance rescue services being offered.

Your Committee additionally finds that this measure resolves existing conflicts and inconsistencies between state law and federal regulations and will enable enforcement agencies to provide increased protection for vulnerable Hawaii homeowners who may be targeted by mortgage rescue scams.

Your Committee has amended this measure by:

- (1) Changing its 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2326, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2326, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2920 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.C.R. No. 31

The purpose and intent of this measure is to support the Executive Office on Aging's efforts to incorporate a No Wrong Door System approach in the Aging and Disability Resource Center network.

Your Committees received testimony in support of this measure from the Executive Office on Aging, State Council on Developmental Disabilities, Policy Advisory Board for Elder Affairs, Hawaii Self-Advocacy Council, AARP Hawaii, and Family Voices of Hawaii.

Your Committees find that the No Wrong Door System is a federal initiative to support states to streamline access to long-term service and support options for all populations and payers. In 2014, the United States Administration for Community Living, Centers for Medicare & Medicaid Services, and Veterans Health Administration provided grants to states, including Hawaii, to plan a No Wrong Door System to help individuals with long-term service and support needs to stay at home as long as possible, thus avoiding institutionalization. More specifically, Hawaii received a one-year planning grant to build upon the current work to develop the Aging and Disability Resource Center and in 2015, received a three-year implementation grant to incorporate the No Wrong Door System approach into a network around the Aging and Disability Resource Center.

Your Committees further find that the Aging and Disability Resource Center network will reflect each county's preferences but will include public outreach and coordination with key referral sources, person-centered counseling, streamlined access to public long-term service and support programs, and state governance and administration. The Aging and Disability Resource Center network will also help the business operations of current service providers to meet federal requirements by improving coordination of programs and providing person-centered counseling and consumer choice.

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, Consumer Protection, and Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 31, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 31, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2921 (Joint) Commerce, Consumer Protection, and Health and Human Services on S.R. No. 13

The purpose and intent of this measure is to support the Executive Office on Aging's efforts to incorporate a No Wrong Door System approach in the Aging and Disability Resource Center network.

Your Committees received testimony in support of this measure from the Executive Office on Aging, State Council on Developmental Disabilities, Policy Advisory Board for Elder Affairs, Hawaii Self-Advocacy Council, AARP Hawaii, and Family Voices of Hawaii.

Your Committees find that the No Wrong Door System is a federal initiative to support states to streamline access to long-term service and support options for all populations and payers. In 2014, the United States Administration for Community Living, Centers for Medicare & Medicaid Services, and Veterans Health Administration provided grants to states, including Hawaii, to plan a No Wrong Door System to help individuals with long-term service and support needs to stay at home as long as possible, thus avoiding institutionalization. More specifically, Hawaii received a one-year planning grant to build upon the current work to develop the Aging and Disability Resource Center and in 2015, received a three-year implementation grant to incorporate the No Wrong Door System approach into a network around the Aging and Disability Resource Center.

Your Committees further find that the Aging and Disability Resource Center network will reflect each county's preferences but will include public outreach and coordination with key referral sources, person-centered counseling, streamlined access to public long-term service and support programs, and state governance and administration. The Aging and Disability Resource Center network will also help the business operations of current service providers to meet federal requirements by improving coordination of programs and providing person-centered counseling and consumer choice.

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, Consumer Protection, and Health and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 13, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 13, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 2922 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.C.R. No. 5

The purpose and intent of this measure is to request the convening of an early childhood sexual abuse working group to identify ways to address early childhood sexual abuse and create strategies to reduce child sexual abuse in Hawaii.

Your Committees received testimony in support of this measure from the Executive Office on Early Learning, Hawaii Women's Coalition, and Zonta Club of Hilo. Your Committees received comments on this measure from the Department of Health, Department of Human Services, and The Sex Abuse Treatment Center.

Your Committees find that while child sexual abuse statistics vary, most research studies show between seventeen and twenty-five percent of girls and between seven and sixteen percent of boys will experience sexual abuse before the age of eighteen. The emotional and physical pain that a child experiences from sexual abuse often results in depression, drug addiction, suicide, teenage pregnancy, and juvenile delinquency. This measure convenes an early childhood sexual abuse working group to identify the means of addressing early childhood sexual abuse and create strategies for reducing child sexual abuse in Hawaii.

Your Committees have amended this measure by:

- (1) Expanding the members of the working group to include representatives of direct service providers, the preschool community, health care providers, and additional state agencies;
- (2) Broadening the scope of the working group to include creating goals for a state policy that would, in addition to preventing early childhood sexual abuse, improve detection, identification, and response to early childhood sexual abuse; 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 Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 5, as amended herein, and recommend that it be referred to your Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 5, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2923 (Joint) Human Services and Commerce, Consumer Protection, and Health on S.R. No. 3

The purpose and intent of this measure is to request the convening of an early childhood sexual abuse working group to identify ways to address early childhood sexual abuse and create strategies to reduce child sexual abuse in Hawaii.

Your Committees received testimony in support of this measure from the Executive Office on Early Learning, Hawaii Women's Coalition, and Zonta Club of Hilo. Your Committees received comments on this measure from the Department of Health, Department of Human Services, and The Sex Abuse Treatment Center.

Your Committees find that while child sexual abuse statistics vary, most research studies show between seventeen and twenty-five percent of girls and between seven and sixteen percent of boys will experience sexual abuse before the age of eighteen. The emotional and physical pain that a child experiences from sexual abuse often results in depression, drug addiction, suicide, teenage pregnancy, and juvenile delinquency. This measure convenes an early childhood sexual abuse working group to identify the means of addressing early childhood sexual abuse and create strategies for reducing child sexual abuse in Hawaii.

Your Committees have amended this measure by:

- (1) Expanding the members of the working group to include representatives of direct service providers, the preschool community, health care providers, and additional state agencies;
- (2) Broadening the scope of the working group to include creating goals for a state policy that would, in addition to preventing early childhood sexual abuse, improve detection, identification, and response to early childhood sexual abuse; 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 Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 3, as amended herein, and recommend that it be referred to your Committee on Judiciary and Labor, in the form attached hereto as S.R. No. 3, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 2924 (Majority) Commerce, Consumer Protection, and Health on S.C.R. No. 64

The purpose and intent of this measure is to request the Auditor to conduct a study of mandatory health insurance coverage for nutrition and lifestyle programs.

Your Committee received testimony in support of this measure from the Department of Health, Hawai'i Primary Care Association, Hawai'i Academy of Nutrition and Dietetics, and one individual.

Your Committee finds that the rates of diabetes and pre-diabetes have been steadily increasing in Hawaii. According to testimony received by your Committee, almost 600,000 people in Hawaii currently live with diabetes or pre-diabetes. Your Committee further finds that the National Diabetes Prevention Program, a program developed and evaluated by the federal Centers for Disease Control and Prevention, has been proven to reduce the onset of diabetes in at-risk adults by fifty-eight percent and has shown that only moderate weight loss is required to achieve preventive health benefits.

Your Committee additionally finds that H.B. No. 2220, H.D. 1, introduced during the Regular Session of 2016, requires health insurance coverage for lifestyle and nutrition programs intended to treat diabetes and pre-diabetes. This measure requests the Auditor to conduct a study on the mandatory health insurance coverage for nutrition and lifestyle programs. Your Committee notes that although many of Hawaii's health plans cover screenings for pre-diabetes, most health plans do not cover National Diabetes Prevention Program services that can help people achieve normal blood sugar levels and prevent diabetes.

Your Committee also notes that a recommended first step for health insurance coverage of lifestyle programs intended to treat diabetes and pre-diabetes is expanding insurance coverage to include access to the National Diabetes Prevention Program. Accordingly, your Committee finds that an analysis of mandatory insurance coverage for the National Diabetes Prevention Program offered to patients found to have abnormal blood glucose should be included in the Auditor's report.

Your Committee has amended this measure by:

- (1) Inserting references to H.B. No. 2220, H.D. 1, Regular Session of 2016;

- (2) Inserting language regarding the prevalence of diabetes and pre-diabetes in Hawaii;
- (3) Inserting language regarding the National Diabetes Prevention Program and recommendations from the United States Preventive Services Task Force;
- (4) Noting that most of Hawaii's health plans do not cover National Diabetes Prevention Program services that can help people achieve normal blood sugar levels and prevent diabetes;
- (5) Requesting the Auditor to include in the sunrise analysis an analysis of mandatory insurance coverage for the National Diabetes Prevention Program offered to patients found to have abnormal blood glucose;
- (6) Requesting the Auditor to submit a report of findings and recommendations, including any proposed legislation, to the Legislature no later than twenty days prior to the Regular Session of 2017;
- (7) Updating the title for clarity; 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, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 64, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 64, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Slom). Excused, 2 (Ihara, Ruderman).

SCRep. 2925 (Joint) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology on S.C.R. No. 65

The purpose and intent of this measure is to:

- (1) Recognize aerospace as a strategic and timely growth industry for Hawaii;
- (2) Request the state Administration to make aerospace innovation and development a priority; and
- (3) Request the Office of Aerospace Development to work with other agencies and organizations to promote and advance aerospace innovation and development activities, and prepare a strategic plan for aerospace development in Hawaii.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism Office of Aerospace Development and one individual.

Your Committees find that aerospace is a robust industry that can offer many scientific, educational, and commercial opportunities to the State. Hawaii's mid-Pacific near-equatorial location, existing aerospace-related infrastructure, unique moon- and Mars-like terrain, resident expertise in aerospace-related technologies, and long-standing ties with space-faring nations throughout the Asia-Pacific area make the State especially well-situated to take advantage of the opportunities that the aerospace industry presents.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology 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 your 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 (Slom).

Economic Development, Environment, and Technology: Ayes, 6; Ayes with Reservations (Ruderman). Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 2926 (Joint) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology on S.R. No. 36

The purpose and intent of this measure is to:

- (1) Recognize aerospace as a strategic and timely growth industry for Hawaii;
- (2) Request the state Administration to make aerospace innovation and development a priority; and
- (3) Request the Office of Aerospace Development to work with other agencies and organizations to promote and advance aerospace innovation and development activities, and prepare a strategic plan for aerospace development in Hawaii.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism Office of Aerospace Development and one individual.

Your Committees find that aerospace is a robust industry that can offer many scientific, educational, and commercial opportunities to the State. Hawaii's mid-Pacific near-equatorial location, existing aerospace-related infrastructure, unique moon- and Mars-like terrain, resident expertise in aerospace-related technologies, and long-standing ties with space-faring nations throughout the Asia-Pacific area make the State especially well-situated to take advantage of the opportunities that the aerospace industry presents.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 36 and recommend that it be referred to your 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 (Slom).

Economic Development, Environment, and Technology: Ayes, 6, Ayes with Reservations (Ruderman). Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 2927 (Joint) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology on S.C.R. No. 27

The purpose and intent of this measure is to request the Office of Aerospace Development to develop a plan for the Gil Kahele Aero Technology Campus to be located in Hilo on the island of Hawaii.

Your Committees received testimony in support of this measure from the Office of Aerospace Development; Department of Transportation; Aha Moku Advisory Committee; University of Hawaii System; High Technology Development Corporation; and two individuals.

Your Committees find that the physical geography of the State and the island of Hawaii in particular are conducive to the development of aerospace technology and related fields. Your Committees further note that the late Senator Gil Kahele was a strong advocate in promoting the interest and developing the talent of Native Hawaiians and other youth in aerospace technology. Developing an aero technology campus in Hilo will create economic opportunities on the island of Hawaii and promote connections between aerospace technology and natural and cultural resources.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 27 and recommend that it be referred to your 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 (Slom).

Economic Development, Environment, and Technology: Ayes, 6, Ayes with Reservations (Ruderman). Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 2928 (Joint) Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology on S.R. No. 10

The purpose and intent of this measure is to request the Office of Aerospace Development to develop a plan for the Gil Kahele Aero Technology Campus to be located in Hilo on the island of Hawaii.

Your Committees received testimony in support of this measure from the Office of Aerospace Development; Department of Transportation; Aha Moku Advisory Committee; University of Hawaii System; High Technology Development Corporation; and two individuals.

Your Committees find that the physical geography of the State and the island of Hawaii in particular are conducive to the development of aerospace technology and related fields. Your Committees further note that the late Senator Gil Kahele was a strong advocate in promoting the interest and developing the talent of Native Hawaiians and other youth in aerospace technology. Developing an aero technology campus in Hilo will create economic opportunities on the island of Hawaii and promote connections between aerospace technology and natural and cultural resources.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 10 and recommend that it be referred to your 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 (Slom).

Economic Development, Environment, and Technology: Ayes, 6, Ayes with Reservations (Ruderman). Noes, none. Excused, 3 (Keith-Agaran, Thielen, Slom).

SCRep. 2929 (Joint) Tourism and International Affairs and Higher Education and the Arts on S.C.R. No. 37

The purpose and intent of this measure is to encourage the Hawaii Tourism Authority and State Historic Preservation Division of the Department of Land and Natural Resources to work with community organizations to assist in and support the establishment of historical markers and trails.

Your Committees received testimony in support of this measure from the Outrigger Enterprises Group. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that the visitor pursuit of a more authentic experience has resulted in increased tourism in Hawaii's small rural communities. Historical trails and walking tours have been utilized by community stakeholders to identify historic individuals or landmarks, encourage pedestrian traffic, and improve the local economy. Historical trails and walking tours have been created in Waikiki, Haleiwa, and Lahaina to increase cultural heritage tourism.

Your Committees have amended this measure by:

- (1) Adding the Chairperson of the Board of Land and Natural Resources as a recipient of a certified copy; 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 Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 37, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 37, S.D. 1.

Signed by the Majority Leader and Chair on behalf of the Committees.

Tourism and International Affairs: Ayes, 4. Noes, none. Excused, 3 (Kim, Tokuda, Slom).

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 2930 (Joint) Tourism and International Affairs and Higher Education and the Arts on S.R. No. 17

The purpose and intent of this measure is to encourage the Hawaii Tourism Authority and State Historic Preservation Division of the Department of Land and Natural Resources to work with community organizations to assist in and support the establishment of historical markers and trails.

Your Committees received testimony in support of this measure from the Outrigger Enterprises Group. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that the visitor pursuit of a more authentic experience has resulted in increased tourism in Hawaii's small rural communities. Historical trails and walking tours have been utilized by community stakeholders to identify historic individuals or landmarks, encourage pedestrian traffic, and improve the local economy. Historical trails and walking tours have been created in Waikiki, Haleiwa, and Lahaina to increase cultural heritage tourism.

Your Committees have amended this measure by:

- (1) Adding the Chairperson of the Board of Land and Natural Resources as a recipient of a certified copy; 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 Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 17, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 17, S.D. 1.

Signed by the Majority Leader and Chair on behalf of the Committees.

Tourism and International Affairs: Ayes, 4. Noes, none. Excused, 3 (Kim, Tokuda, Slom).

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Gabbard, Slom).

SCRep. 2931 (Joint) Tourism and International Affairs and Economic Development, Environment, and Technology on H.B. No. 2259

The purpose and intent of this measure is to:

- (1) Require the Department of Business, Economic Development, and Tourism to prepare a report that examines linkages between the State's tourism industry and other local industries of the State to reduce economic leakage and improve the State's economic input-output model; and
- (2) Make an appropriation to the Department of Business, Economic Development, and Tourism to prepare the report.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that economic leakage occurs when revenue generated by an industry is not retained in the State's economy but instead is lost to foreign economies. Currently, the amount of the State's economic leakage in the tourism industry is unknown. Certain foods, souvenirs, jewelry, and other products imported to Hawaii for the purpose of supporting the tourism industry are notable sources of economic leakage in the State.

Your Committees further find that some economic leakage is unavoidable, as certain products cannot be sourced locally, and that not all economic leakage is detrimental to the State's economy, as leakage in one industry may prompt increased spending in other industries. Information identifying linkages between the State's economic leakage in the tourism industry and local non-tourism industries can help policy makers develop strategies to strengthen and diversify the State's economy.

Your Committees have amended this measure by changing the effective date to July 1, 2016.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2259, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2259, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Majority Leader and Chair on behalf of the Committees.

Tourism and International Affairs: Ayes, 5. Noes, none. Excused, 2 (Kim, Tokuda).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Keith-Agaran, Ruderman, Thielen).

SCRep. 2932 Judiciary and Labor on H.B. No. 1752

The purpose and intent of this measure is to appropriate funds for one full-time equivalent position as grant administrative support personnel in the Department of Labor and Industrial Relations' Office of Community Services.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii and one individual. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that the Department of Labor and Industrial Relations' Office of Community Services has a broad range of duties and works with various non-profit and state agencies. Implementation of this measure will further assist the Office of Community Services in administering program services.

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. 1752, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 2933 Judiciary and Labor on H.B. No. 1849

The purpose and intent of this measure is to establish a three-year reclassification and recruitment pilot program within the Department of Human Resources Development to expedite the recruitment and hiring process for positions that require a higher education degree or other expertise.

Your Committee received testimony in support of this measure from the Department of Transportation; Department of Human Resources Development; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and one individual. Your Committee received comments on this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO.

Your Committee finds that the state workforce is aging and the needs of the state workforce have far out-paced the State's ability to adequately create and fill positions. Efforts to streamline the recruiting process have made progress but cannot keep pace with the current and projected increase in retirements. Implementation of this measure will allow the State to efficiently hire individuals for critical-to-fill and labor shortage positions through an active recruitment and placement process.

Your Committee has amended this measure by:

- (1) Establishing that the purpose of the reclassification and recruitment pilot program is to expedite the recruitment and hiring process for critical-to-fill and labor shortage positions, rather than for positions that require a higher education degree or other expertise;
- (2) Amending section 1 to reflect its amended purpose;
- (3) Authorizing and appropriating funds for the Department of Human Resources Development to hire an unspecified number of full-time recruitment and reclassification specialists, rather than five full-time recruitment and reclassification specialists;
- (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. 1849, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1849, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 2934 (Majority) Judiciary and Labor on H.B. No. 2013

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 Hawai'i System; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that the arbitration panel issued an award for public employees in collective bargaining unit (8), and this measure provides a legislative vehicle to effectuate the terms and conditions of the arbitrated award for public employees in collective bargaining unit (8).

Your Committee notes the University of Hawai'i System's testimony that Governor's Message No. 11 requests funding through the budget appropriation bill for a one-time subsidy related to the collective bargaining agreement with unit (8), in addition to the funds authorized and appropriated by this measure. Your Committee requests that your Committee on Ways and Means further examine the issue.

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. 2013, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 2935 (Majority) Judiciary and Labor on H.B. No. 2307

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, AFSCME Local 152, AFL-CIO.

Your Committee finds that in February 2016, the arbitration panel issued an award for public employees in bargaining unit (14), and this measure provides a legislative vehicle to effectuate the terms and conditions of the arbitrated award for public employees in collective bargaining unit (14) and their excluded counterparts.

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. 2307, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2307, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 2936 (Majority) Judiciary and Labor on H.B. No. 2308

The purpose and intent of this measure is to authorize funds for collective bargaining cost items in the agreement negotiated for employees in collective bargaining unit (11).

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, Local 1463, IAFF, AFL-CIO.

Your Committee finds that in December 2015, a memorandum of agreement was entered into to provide an increase in the meal allowance for employees in collective bargaining unit (11). This measure provides a legislative vehicle to fund the collectively bargained terms that were agreed upon.

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. 2308, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, 1 (Slom). Excused, none.

SCRep. 2937 Judiciary and Labor on H.B. No. 2362

The purpose and intent of this measure is to conform the membership and duties of the Hawaii Workforce Development Council to the requirements of the federal Workforce and Innovation and Opportunity Act of 2014.

Your Committee received testimony in support of this measure from the Hawaii Workforce Development Council and University of Hawai'i System.

Your Committee finds that the federal Workforce Innovation and Opportunity Act of 2014 supersedes the federal Workforce Investment Act of 1998 and sets forth different council composition requirements, plan specifications, and council functions. Chapter 202, Hawaii Revised Statutes, established the Hawaii Workforce Development Council to fulfill the functions of the State Workforce Development Board for purposes of the federal Workforce Investment Act of 1998. Implementation of this measure will conform the membership and duties of the Hawaii Workforce Development Council to the requirements of the federal Workforce and Innovation and Opportunity Act of 2014.

Your Committee has amended this measure by:

- (1) Inserting an effective date of 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2362, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2362, 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, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 2938 Judiciary and Labor on H.B. No. 2448

The purpose and intent of this measure is to make necessary technical corrections to Hawaii law by amending or repealing various provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii to correct errors and references, clarify language, and delete obsolete or unnecessary provisions.

Your Committee received testimony in support of this measure from the Legislative Reference Bureau and Disability and Communications Access Board.

Your Committee finds that this measure is a statutory revision measure that was prepared and submitted by the Legislative Reference Bureau pursuant to its statutory revision responsibilities under chapter 23G, Hawaii Revised Statutes. The Legislative Reference Bureau testified that all of the amendments in this measure are intended to be technical in nature to correct errors, omissions, or obsolete law and are not intended to make any substantive changes to the 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2448, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2448, 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. 2939 Transportation and Energy on H.B. No. 2081

The purpose and intent of this measure is to create a simplified regulatory process and procurement mechanism for the Public Utility Commission's review and approval of projects and to direct public utilities to procure electricity or fuel from those projects at a rate authorized by the Commission.

Your Committee received testimony in support of this measure from the Office of the Mayor of the County of Hawaii, Office of the Mayor of the County of Maui, and Department of Environmental Services of the City and County of Honolulu. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs Division of Consumer Advocacy, Hawaiian Electric Company and its subsidiaries Maui Electric Company and Hawaii Electric Light Company, Kaua'i Island Utility Cooperative, Hawaii Energy Policy Forum, and one individual. Your Committee received comments on this measure from the Public Utilities Commission.

Your Committee finds that the current public utility regulatory structure for electricity and fuel resource procurement practices may hinder the development of essential public purpose projects that require utility cooperation and procurement of electricity or fuel. A simplified regulatory process would encourage and facilitate the development of projects with important public purpose objectives. The role of the public utility in these cases would be limited to system integration. Public purpose projects may include management of waste and waste water, potable water, law enforcement, public health, and other essential public services.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2081, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Kidani). Noes, none. Excused, 3 (Chun Oakland, Gabbard, Slom).

SCRep. 2940 Transportation and Energy on H.B. No. 801

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to SunStrong LLC, a renewable energy developer, for 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.

Your Committee finds that climate change and its severe effects and shoreline erosion impact the lives and livelihoods of Hawaii's people. There is currently an increasing focus on reducing harmful air emissions from fossil fuels, such as oil and coal, as a possible cause of greenhouse gases, which impact climate change. Hawaii is extremely well-situated to harness strong trade winds and abundant sunlight to provide renewable energy.

Your Committee further finds that SunStrong LLC has considerable experience in installing renewable energy projects using special purpose revenue bonds as a financing instrument.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2016; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

It has come to the attention of your Committee that the requested issuance of a special purpose revenue bonds may more appropriately pertain to assisting industrial enterprises under part V, chapter 39A, Hawaii Revised Statutes. Your Committee defers to your Committee on Ways and Means to determine this issue should the Committee consider this measure for passage.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 801, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 801, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Gabbard, Slom).

SCRep. 2941 Transportation and Energy on H.B. No. 2607

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist PQ Energy LLC and affiliated special purpose entities with the development and construction of renewable energy plants within the State of Hawaii.

Your Committee received testimony in support of this measure from PVT Land Company, PQ Energy LLC, and Pelatron Power Evolution. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that support for the development of renewable and efficient energy systems in the State, which is geographically isolated from fossil fuels, continues to be in the public interest. PQ Energy LLC offers sustainable solutions for the generation of renewable energy and waste management through the development of renewable energy plants. PQ Energy LLC's plants will use a proven gasification solution and other renewable energy applications to convert bio matter and other renewable energy resources into clean and renewable baseload and on-demand energy.

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 Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2607, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2607, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Gabbard, Slom).

SCRep. 2942 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2489

The purpose and intent of this measure is to appropriate funds for the establishment of a veterans services counselor IV position within the Office of Veterans' Services to assist all veterans, with a primary focus on female veterans, who served on active duty.

Your Committee received testimony in support of this measure from the Department of Defense, Office of Veterans Services, Women Veterans Committee, Hawaii State Democratic Women's Caucus, Hawaii State Commission on the Status of Women, Planned Parenthood Votes Northwest and Hawaii, Veterans of Foreign Wars Hawaii Legislative Liaison, and four individuals.

Your Committee finds that women have served honorably and courageously in the armed services of the United States since the American Revolution. At present, almost fifteen percent of the United States armed services consists of women, and female veterans are increasing exponentially in number. The needs of female veterans and the challenges that they face in getting services are often different from those of male veterans. Your Committee finds that the existing support network for veterans is not sufficient to meet the needs of female veterans. This measure will take steps to address that shortfall.

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. 2489, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2943 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2491

The purpose and intent of this measure is to appropriate funds for programs, ceremonies, and activities commemorating the fiftieth anniversary of the Vietnam War.

Your Committee received testimony in support of this measure from the Department of Defense, Office of Veterans Services, Veterans of Foreign Wars Hawaii Legislative Liaison, Veterans of Foreign Wars of the United States, Fiftieth Anniversary of the Vietnam War Commemoration Committee, Vietnam Veterans of America, and two individuals.

Your Committee finds that many individuals who served honorably in the United States Armed Services during the Vietnam War came home to a divided nation. Some of these individuals served voluntarily and some were drafted into service, but in many cases they were not welcomed home in a manner befitting their service and sacrifice. Your Committee finds that honorable and respectful commemoration of the Vietnam War's fiftieth anniversary is especially appropriate in Hawaii because during the Vietnam War Hawaii served as a rest and recuperation location for deployed troops to meet their spouses, families, and friends.

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. 2491, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2944 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on H.B. No. 1807

The purpose and intent of this measure is to authorize state and county officers and employees who are members of the National Guard or Reserve of the United States Armed Forces to receive paid military leave while on inactive-duty training.

Your Committees received testimony in support of this measure from the State Department of Defense and two individuals.

Your Committees find that members of the National Guard and Reserve of the United States Armed Forces who are employed by the State or county are authorized to annually receive fifteen days of paid military leave while on active duty or during periods of instruction or maneuvers. Of those fifteen days of leave, members use only ten to twelve days and are left with three to five days of unused military leave each year. Allowing members employed by the State or county to use those days during monthly inactive-duty training will benefit those members and ensure that the presently unused days of paid military leave will not be wasted.

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. 1807, H.D. 2, and recommend that it pass Second Reading and be referred to your 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 (Baker).
Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Kaele, Shimabukuro).

SCRep. 2945 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on H.B. No. 1580

The purpose and intent of this measure is to appropriate funds for grants to maintain and expand the weed and seed strategy.

Your Committees received testimony in support of this measure from the Department of the Attorney General; Meadow Gold Dairies; Ewa Makai Middle School; Ilima Intermediate School; First Hawaiian Bank, Ward Branch; McDonald's of Ewa Beach; and nine individuals.

Your Committees find that the weed and seed strategy is a collaborative effort among federal, state, and county law enforcement agencies, social service agencies, private businesses, nonprofit organizations, and residents to reclaim, restore, and rebuild communities. The program has proven to be an effective tool for law enforcement in Hawaii, with great benefits to the community in

general. This measure will help maintain and support the weed and seed strategy in the future. However, your Committees note that the appropriation of funds in this measure must be more finely tailored so as to not interfere with existing items on the executive budget for the Department of the Attorney General.

Your Committees have amended this measure by:

- (1) Clarifying that the appropriation shall be made as a grant to Empower O'ahu; 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 Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1580, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1580, H.D. 1, S.D. 1, and be referred to your 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 (Baker).

Judiciary and Labor: Ayes, 6. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 2946 Economic Development, Environment, and Technology on H.B. No. 2088

The purpose and intent of this measure is to extend the motion picture, digital media, and film production income tax credit to provide stability and economic incentive predictability for the film industry, allow Hawaii to remain competitive in attracting qualified productions, and generate additional revenue, jobs, and tourism marketing exposure.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; County of Kaua'i Office of Economic Development; Motion Picture Association of America; NBC Universal Media, LLC; CBS Corporation; SAG-AFTRA Hawaii Local; I.A.T.S.E. Local 665; American Federation of Musicians' Local 677; and Hawaii Teamsters & Allied Workers Local 996. Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that the film industry in Hawaii is an important component of a diversified economy and that the motion picture, digital media, and film production income tax credit has been effective in stimulating the economy and creating quality jobs in a clean industry while promoting Hawaii as a visitor destination. Your Committee further finds that the film production process can extend over several years due to extensive planning and development in the preproduction stage; therefore, the motion picture, digital media, and film production income tax credit's current sunset date of January 1, 2019, should be extended well in advance of the sunset date to prevent the discouragement of new productions that may be in the development and preproduction phases at that point in time.

Your Committee has amended this measure by extending the sunset date of the motion picture, digital media, and film production income tax credit until January 1, 2024.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2088, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2088, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 2947 (Joint/Majority) Economic Development, Environment, and Technology and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2263

The purpose and intent of this measure is to appropriate funds to conduct an economic assessment on the establishment and economic viability of a small satellite launch and processing facility on the island of Hawaii.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and Pacific International Space Center for Exploration Systems. Your Committees received testimony in opposition from the Aha Moku Advisory Committee.

Your Committees find that Hawaii has long been recognized as an ideal location for the launching of spacecraft due to its geographic location. Your Committees further find that the development of a small satellite launch and processing facility on the island of Hawaii has tremendous economic potential for the island as well as the State; however, an assessment is necessary to first determine the economic viability of such an endeavor. Your Committees encourage the participation of the Aha Moku Advisory Committee and other interested groups in the feasibility study.

Your Committees have amended this measure by requiring the Department of Business, Economic Development, and Tourism to conduct the feasibility study in conjunction with the Office of Aerospace Development, in addition to the Pacific International Space Center for Exploration Systems and Hawaii Island Economic Development Board, Inc.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, 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. 2263, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2263, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 5. Noes, 1 (Ruderman). Excused, 3 (Keith-Agaran, Thielen, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2948 (Majority) Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2632

The purpose and intent of this measure is to:

- (1) Require any person who has been disqualified from owning, possessing, or controlling firearms and ammunition due to a diagnosis of having a significant behavioral, emotional, or mental disorder or for treatment for organic brain syndromes, or due to emergency hospitalization under section 334-59, Hawaii Revised Statutes, to immediately surrender that person's firearms and ammunition;
- (2) Allow the chief of police to seize a disqualified person's firearms and ammunition if the disqualified person does not surrender that person's firearms and ammunition; and
- (3) Set forth the notice requirement for the surrender of firearms and ammunition by a disqualified person.

Your Committee received testimony in support of this measure from the Police Department of the County of Hawaii, Police Department of the City and County of Honolulu, and one individual. Your Committee received testimony in opposition to this measure from the National Rifle Association, Valley Isle Sport Shooters, and over ninety individuals.

Your Committee finds that ensuring firearms are kept out of the hands of people who are suffering from mental illness is critical to ensure the safety of those individuals and the general public. Your Committee also finds that existing law provides a thirty-day period from the date of written notice of disqualification for a firearms permit within which an owner who has been disqualified for any statutory reason must surrender the firearm and does not allow for any acceleration of the timeframe in more urgent situations. It is essential that the timeframe for removing firearms and ammunition from persons disqualified from firearm ownership, possession, or control for mental illness reasons be shortened to allow for immediate removal. Your Committee further finds that once an individual has received notice of disqualification and subsequently fails to surrender that individual's firearms and ammunition, seizure of that individual's firearms and ammunition by the chief of police should be mandatory rather than discretionary.

Your Committee has amended this measure by:

- (1) Clarifying that a disqualified individual must receive notice of disqualification before the chief of police may seize the disqualified person's firearms and ammunition for failing to surrender such firearms and ammunition;
- (2) Requiring, rather than allowing, the chief of police to seize a disqualified person's firearms and ammunition if that person does not surrender such firearms and ammunition and the person receives notice of disqualification; 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 H.B. No. 2632, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2632, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, 1 (Slom). Excused, 1 (Inouye).

SCRep. 2949 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2460

The purpose and intent of this measure is to help the recruitment of personnel for law enforcement positions within state government and standardize law enforcement training among various state departments and agencies by establishing and appropriating funds for a state law enforcement training academy within the Department of Public Safety to train candidates for the law enforcement positions of the State.

Your Committee received testimony in support of this measure from fourteen individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that a uniform standard of employment and training for state law enforcement officers would benefit state law enforcement agencies and departments, as well as the general public. Although an academy providing a basic foundation of standardized training would be valuable for law enforcement officers and facilitate the recruitment of new officers, your Committee finds that the various law enforcement agencies and departments of the State perform different functions and require specialized training unique to the respective agencies.

Your Committee has amended this measure by removing the language of the original measure and inserting the language of S.B. No. 2755, S.D. 1, Regular Session of 2016, which:

- (1) Establishes an Advisory Law Enforcement Employment Standards and Training Board;
- (2) Requires the Advisory Board to develop and propose statewide employment standards and training for state and county law enforcement officers who wear badges and carry firearms;
- (3) Allows state and county law enforcement agencies and departments to voluntarily implement the standards recommended by the Advisory Board; and
- (4) Includes an effective date of January 7, 2019, and a repeal date of June 30, 2021.

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. 2460, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2460, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2950 (Joint) Public Safety, Intergovernmental, and Military Affairs and Water, Land, and Agriculture on H.B. No. 2388

The purpose and intent of this measure is to facilitate, in an expeditious and efficient manner, the development or expansion of in-state correctional facilities. Specifically, this measure:

- (1) Clarifies the Governor's authority to negotiate for the construction of a correctional facility to include the authority to negotiate for construction of a jail, such as that needed on Maui, and aligns environmental impact statement and assessment requirements for such a jail with generally applicable requirements;
- (2) Requires the Governor to conduct a feasibility study that includes restructuring the Oahu Community Correctional Center with a smaller footprint on the land that it currently occupies and redeveloping the remainder of the site;
- (3) Specifies the design criteria for a newly built Oahu Community Correctional Center; and
- (4) Appropriates funds for reconstruction of the Oahu Community Correctional Center and the relocation of the Maui Community Correctional Center.

Your Committees received testimony in support of this measure from the Department of Public Safety, Department of the Prosecuting Attorney for the City and County of Honolulu, Building Industry Association Hawaii, and Chamber of Commerce Hawaii. Your Committees received testimony in opposition to this measure from The CHOW Project, Hawai'i Friends of Reformatory Justice, Community Alliance on Prisons, and one individual. Your Committees received comments on this measure from the Department of the Attorney General, Office of Hawaiian Affairs, and Land Use Research Foundation of Hawaii.

Your Committees find that the existing Oahu Community Correctional Center facility is deteriorating, outmoded, and inefficient. The facility is severely overcrowded and not sufficient for the correctional needs of the State. Additionally, the facility's close proximity to residential neighborhoods, commercial enterprises, and industrial areas makes the location better suited for other uses. Relocating the facility to Halawa or restructuring the facility with a smaller footprint within its existing location would provide the State with a facility that is better suited to its correctional needs and allow the existing location of Oahu Community Correctional Center to be redeveloped.

Your Committees have amended this measure by:

- (1) Clarifying that the appropriation is for the purchasing, constructing, developing, leasing, or otherwise providing for jail facilities, not limited to a turn-key basis and not restricted to the existing Halawa Correctional Facility parcel; 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 Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2388, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2388, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3; Ayes with Reservations (Espero). Noes, none. Excused, 2 (Baker, Inouye).
Water, Land, and Agriculture: Ayes, 6; Ayes with Reservations (Riviere). Noes, none. Excused, 3 (Dela Cruz, Ruderman, Wakai).

SCRep. 2951 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2671

The purpose and intent of this measure is to assist the Attorney General in the reporting of critical criminal justice data and to clarify the responsibilities of county police departments to provide data in a timely manner by:

- (1) Requiring that the county chiefs of police and state and county agencies with arrest powers to provide crime incident reports and other related crime information to the Attorney General for inclusion in a statewide crime reporting program, and to cooperate with the Federal Bureau of Investigation's Uniform Crime Reporting Program; and
- (2) Establishing penalties for state and county agency noncompliance with the requirements of this measure.

Your Committee received testimony in support of this measure from the Department of the Attorney General and fourteen individuals. Your Committee received testimony in opposition to this measure from the County of Hawaii Police Department.

Your Committee finds that no statewide database of crime incidents exists in Hawaii. Comprehensive reporting and collection of crime data are vital to the ability of law enforcement agencies to efficiently and effectively discharge their duty to protect the public. Your Committee notes that the Department of the Attorney General has requested additional time to implement the penalty provision for noncompliance with the reporting requirements of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2017; 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 H.B. No. 2671, H.D. 2, as amended herein, and

recommends that it pass Second Reading in the form attached hereto as H.B. No. 2671, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 2952 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on H.B. No. 2490

The purpose and intent of this measure is to exempt certain disabled veterans from county vehicle taxes and the state annual vehicle registration fee, regardless of whether the disabled veteran is in receipt of military disability retirement pay from any branch of the uniformed armed forces.

Your Committees received testimony in support of this measure from the Office of Veterans Services and three individuals. Your Committees received comments on this measure from the Department of Transportation and Tax Foundation of Hawaii.

Your Committees find that members of the United States Armed Forces have defended the United States and the lives and liberties of its citizens since the founding of the nation, and veterans have frequently made tremendous personal sacrifices during their service that have caused them to be disabled. Many of these disabled veterans face financial hardship as a result of their disabilities, even when they are not eligible for military disability benefits.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2490, H.D. 2, and recommend that it pass Second Reading and be referred to your 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 (Slom).
Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Slom).

SCRep. 2953 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 1878

The purpose and intent of this measure is to appropriate funds for:

- (1) The kupuna care program;
- (2) The aging and disability resource center;
- (3) Fall prevention and early detection services for the elderly;
- (4) The healthy aging partnership program;
- (5) An Alzheimer's disease and related dementia services coordinator position; and
- (6) 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; Agency on Elderly Affairs, County of Kauai; AARP Hawaii; Alzheimer's Association; Catholic Charities Hawaii; Hawaii Family Caregiver Coalition; Healthcare Association of Hawaii; Lanakila Pacific; Pacific Advisory Board for Elderly Affairs Legislative Committee; Project Dana; The Queen's Health Systems; Zonta Club of Hilo; and eleven individuals.

Your Committees find that the programs affected by this measure ensure the quality of services provided to the State's elderly population or provide necessary services directly to the State's elderly population. Your Committees also find that the monies appropriated in this measure are necessary for these programs to be effective and note their support for the Governor's budget for the kupuna care program and the aging and disability resource center.

Your Committees have heard the testimony stating that the long-term care ombudsman program needs additional staff to monitor the quality of long term care in the counties of Kauai, Maui, and Hawaii and believes that amendments to this measure should be made to incorporate an appropriation for this purpose.

Your Committees have amended this measure by:

- (1) Amending the description of the aging and disability resource center in section 3;
- (2) Adding an appropriation for the long-term care ombudsman program to establish three full-time equivalent (3.0 FTE) staff positions to monitor the quality of long term care in the counties of Kauai, Maui, and Hawaii; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1878, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1878, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Human Services: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).
Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2954 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 2343

The purpose and intent of this measure is to align state law with changes to the federal Child Care and Development Block Grant, P.L. 113-186, including by requiring the Department of Human Services to: conduct background checks, including sex offender registry checks, on household members and all employees of child care facilities and providers that are licensed or registered by or receive subsidies from the State.

Your Committees received testimony in support of this measure from the Department of Human Services.

Your Committees find that this measure is necessary to align state law with P.L. 113-186, the Child Care and Development Block Grant Act of 2014, enacted on November 19, 2014, which made significant changes to the Child Care and Development Block Grant requirements to ensure the health, safety, and well-being of children served under the grant.

Your Committees further find that Child Care Connection Hawai'i is a child care subsidy program that is federally funded through child care and development fund monies. Hawaii's federal fiscal year 2015 block grant allocation totaled \$20,950,922. Failure to pass this measure would jeopardize the block grant award if the Department does not have the statutory authority to implement the requirements required by P.L. 113-186.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2343, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2955 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 1772

The purpose and intent of this measure is to appropriate funds to the Department of Human Services to restore basic adult dental benefits to Medicaid and QUEST integration enrollees.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities, Hawaii Association of Professional Nurses, Hawaii Disability Rights Center, Hawaii Primary Care Association, Healthcare Association of Hawaii, Ho'ola Lahui Hawai'i, Kokua Kalihi Valley, Lanai Community Health Center, Malama I Ke Ola Health Center, Ohana Health Plan, The Queen's Health Systems, Waianae Coast Comprehensive Health Center, Waimanalo Health Center, and one individual. Your Committees received comments on this measure from the Department of Human Services and Department of Health.

Your Committees find that dental care and oral health services are vital to the overall health of Hawaii's residents. The Department of Health's 2015 report, Hawaii Oral Health: Key Findings, indicates that only fifty-two percent of low income adults visited a dentist during 2012, and only twenty-seven percent of pregnant women on Medicaid or QUEST visited a dentist during their pregnancy from 2009 to 2011. In 2012, there were more than three thousand emergency room visits due to preventable dental problems, resulting in aggregate hospital charges for dental emergency visits of \$8,500,000. Your Committees find that an oral health crisis exists in the State, and that one aspect to resolving the crisis is to restore basic adult dental benefits to Medicaid and QUEST integration enrollees. Additionally, your Committees support the appropriation requested through the Governor's budget for adult dental services.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1772, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 2956 (Joint/Majority) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 1943

The purpose and intent of this measure is to provide an inflationary adjustment to the long-term care reimbursement methodology used to reimburse facilities for Medicaid recipients.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation; Oahu Region Hawaii Health Systems Corporation; Aloha Nursing Rehab Centre; Ann Pearl Rehabilitation and Healthcare Center; Chamber of Commerce Hawaii; Garden Isle Healthcare & Rehabilitation; Hale Kupuna Heritage Home; Hale Makua Health Services; Hale Makua Long-Term Care; Healthcare Association of Hawaii; Ito Healthcare Group; Legacy of Life Hawaii; Ohana Pacific Management Company, Inc.; One Kalakaua Senior Living; Pu'uwai 'O Makaha; Clarence T.C. Ching Villas at St. Francis; and The Queen's Health Systems.

Your Committees find that long-term care facilities in the State face major financial challenges in providing quality health care for Hawaii residents. These challenges are largely the result of payments for Medicaid enrollees that do not cover the actual costs of care. Long-term care facilities have not received an inflationary update to their reimbursement rates for a number of years and, as such, have seen the gap between costs and reimbursements widen considerably. The financial effect is further magnified by the fact that roughly seventy percent of patients in long-term care facilities are covered by the state Medicaid program.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1943, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, 1 (Slom). Excused, 1 (Nishihara).

SCRep. 2957 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2086

The purpose and intent of this measure is to update the statewide transportation plan process to include the creation of a Hawaii household transportation survey, and to direct the counties and Department of Transportation to create mode share targets and plans to be included in the statewide transportation plan.

Your Committees received testimony in support of this measure from the Department of Transportation, Office of Economic Development of the County of Kaua'i, City and County of Honolulu Department of Transportation Services, Blue Planet Foundation, Hawaiian Electric Vehicle Network, Bikeshare Hawaii, and Ulupono Initiative. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that Hawaii has a high dependence on the personal automobile and, concomitantly, imported fossil fuels. This dependence costs Hawaii's economy billions of dollars each year; increases household transportation costs for Hawaii's families; decreases access to job opportunities for low income individuals; leads to increased traffic congestion that costs Hawaii's residents time and money; and degrades overall quality of life for Hawaii's residents.

Your Committees further find that increasing multi-modal transportation options in Hawaii's communities will help increase the availability and utilization of non-automobile modes of transportation, reduce transportation energy use, and reduce household transportation costs while increasing mobility and transportation equity for Hawaii residents.

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 Transportation and Energy 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. 2086, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2086, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2958 Transportation and Energy on H.B. No. 1736

The purpose and intent of this measure is to rename the Kona International Airport as the Ellison Onizuka Kona International Airport.

Your Committee received testimony in support of this measure from the Department of Transportation and one individual.

Ellison Onizuka, the first Japanese American selected to participate in America's space program and the first Asian astronaut to venture into space, was born on the Island of Hawaii. Your Committee finds that the State should memorialize the accomplishments of Ellison Onizuka, best known as Hawaii's first astronaut. Ellison Onizuka also served in the United States Air Force where he used his education in aerospace engineering to participate in flight test programs and systems safety engineering for numerous aircraft before ultimately being selected as an astronaut candidate by NASA in January 1978.

Tragically, Ellison Onizuka, along with six other individuals, perished when the Space Shuttle Challenger exploded shortly after lift-off on January 28, 1986, from the Kennedy Space Center at Cape Canaveral, Florida. Renaming the Kona International Airport the Ellison Onizuka Kona International Airport is a fitting tribute that will serve to honor the memory and legacy of a beloved and treasured keiki o ka aina.

Your Committee has amended this measure by inserting an effective date of July 1, 2018, to allow the Department of Transportation sufficient time to change signage at the airport.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1736, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1736, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 2959 Transportation and Energy on H.B. No. 32

The purpose and intent of this measure is to clarify when a pedestrian is considered within the intersection or crosswalk for purposes of determining when vehicular traffic must yield to the pedestrian.

Your Committee received testimony in support of this measure from the Department of Transportation, Honolulu Police Department, and two individuals.

Your Committee finds that section 291C-33, Hawaii Revised Statutes, relating to pedestrian-control signals, was last amended in 1981. This section needs to be updated to include countdown timers and to clarify when a pedestrian is allowed to cross when the countdown timer is operating. Countdown timers show pedestrians how many seconds are left to cross the street before the pedestrian signal changes from a flashing "Don't Walk" to a steady "Don't Walk" or upraised palm indication.

Your Committee further finds that if a pedestrian-control signal is equipped with a countdown timer, any pedestrian who has partially completed the pedestrian's crossing while the countdown timer is operating should be able to legally complete the crossing to a sidewalk or safety island.

Your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2585, S.D.1, which clarifies when pedestrians may enter a crosswalk equipped with a countdown timer. Your Committee has further amended the measure by adding a savings clause.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 32, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 32, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 2960 Transportation and Energy on H.B. No. 901

The purpose and intent of this measure is to authorize law enforcement vehicles of the Department of the Attorney General and Harbors Division of the Department of Transportation that are equipped with lights and sirens to be authorized emergency vehicles.

Your Committee received testimony in support of this measure from the Department of Transportation, Department of the Attorney General, and one individual.

Appointed enforcement officers of the Harbors Division are conferred the powers of police officers and are tasked with enforcing the laws and regulations for harbors in the State. Your Committee finds that despite this law enforcement responsibility and authority, they do not have the official and explicit authority to use law enforcement vehicles with emergency response lights. This measure would explicitly allow the use of emergency response lights on approved law enforcement vehicles to assist them in enforcing the laws of the State.

Your Committee has amended this measure by:

- (1) Deleting reference to law enforcement vehicles of the Department of the Attorney General;
- (2) Inserting an effective date of July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 901, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 901, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 2961 Transportation and Energy on H.B. No. 970

The purpose and intent of this measure is to expand the authority of the Director of Transportation over required motor vehicle and motor carrier vehicle inspections in the State, including the authority to adopt rules to set fees.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that there is a need to upgrade the methods and procedures of state motor vehicle and motor carrier vehicle inspections. The current safety inspection system for motor vehicles is antiquated and that simplifying certain safety inspection information requirements would allow the motor vehicle safety inspection program to be run more efficiently, thereby improving service and value to the public.

Your Committee further finds that the Department of Transportation needs the flexibility to make changes to fees for the inspection of motor vehicle carriers without having to introduce legislation each time a fee needs to be changed. Allowing the Department to change these fees through the administrative rules process would further increase government efficiency.

Your Committee has amended this measure by:

- (1) Clarifying that the inspection fee charged by a motor vehicle inspection station shall be no more than the maximum fee when the fee is established by administrative rules; 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 and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 970, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 970, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 2962 Transportation and Energy on H.B. No. 1011

The purpose and intent of this measure is to prohibit the use of certain types of motor vehicle wheels that are considered dangerous.

Your Committee received testimony in support of this measure from the Department of Transportation, Honolulu Police Department, Hawaii Transportation Association, and one individual.

Your Committee finds that an increasing number of motor vehicles operating on Hawaii's roadways are reportedly using wheels with a propensity to cause severe injury and property damage. By design, most of these wheels have parts that extend past their rim, and include items such as gorilla pokes, superpoke elbows, and giraffe necks. However, others not designed as such are just as

dangerous due to the addition of aftermarket parts, such as lug nuts and wheel covers that bear sharp pointed projections. Furthermore, existing law does not address the inherent dangers associated with the use of this type of motor vehicle wheel. Prohibiting their use will improve public safety on Hawaii's highways.

Your Committee has amended this measure by clarifying that the definition of dangerous wheel includes items that extend furthest away from the vehicle rather than furthest curbside from the vehicle.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1011, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1011, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 2963 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on H.B. No. 2231

The purpose and intent of this measure is clarify that special purpose revenue bonds issued pursuant to part VI of chapter 39A, Hawaii Revised Statutes, may be used to finance publicly owned energy cooperatives.

Your Committees received testimony in support of this measure from Hawaii Island Energy Cooperative, Kaua'i Island Utility Cooperative, and Hawaii Solar Energy Association.

Your Committees find that allowing energy cooperatives access to low-interest financing provides more opportunities for savings for cooperative members and broadens the variety of funding sources available to finance energy projects in the State.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2231, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Gabbard).
Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Espero, Ruderman).

SCRep. 2964 (Joint) Transportation and Energy and Commerce, Consumer Protection, and Health on H.B. No. 2047

The purpose and intent of this measure is to improve the electrical infrastructure at Kalaeloa by requiring the Hawaii Community Development Authority to:

- (1) Undertake and complete the Kalaeloa energy corridor project; and
- (2) Submit annual reports to the Legislature from 2017 through 2019 on the progress and actions taken to complete the Kalaeloa energy corridor project.

Your Committees received testimony in support of this measure from the Department of Transportation, Hawaii Emergency Management Agency, Hawaii Community Development Authority, and Hunt Companies.

Your Committees find that in 2010, the Kalaeloa infrastructure master plan update suggested replacing the seventy-year old electrical system at Kalaeloa in order to serve the projected redevelopment needs of the area. However, the aging electrical system remains in place today. Additionally, since the electrical system does not meet standards established by the Hawaiian Electric Company, area businesses and organizations cannot connect to the public utility and instead must purchase electricity from the Navy. As a result, organizations such as the Hawaii National Guard, stationed at Kalaeloa, must purchase electricity from the Navy at the high rate of \$0.35 per kilowatt hour, amounting to over \$600,000 in annual electricity costs.

Your Committees further find that implementation of the Kalaeloa energy corridor project will upgrade the electrical infrastructure, which will support redevelopment of the area and allow area businesses and organizations to purchase electricity at lower rates from the Hawaiian Electric Company.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2047, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Gabbard).
Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Espero).

SCRep. 2965 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on H.B. No. 2596

The purpose and intent of this measure is to appropriate funds to research and develop methods of preventing and treating macadamia felted coccid infestations.

Your Committees received testimony in support of this measure from the Department of Agriculture, University of Hawai'i System, Hawai'i Farm Bureau, Land Use Research Foundation of Hawaii, Hawaii Macadamia Nut Association, Royal Hawaiian Orchards, Hawaii Papaya Industry Association, and forty-eight 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 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 vital macadamia nut industry.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2596, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

SCRep. 2966 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on H.B. No. 2424

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 establish parameters and construction requirements for biosecurity facilities; and
- (4) Appropriate monies to enable the Department of Agriculture to complete the implementation of the biosecurity program to include import replacement and pest management programs.

Your Committees received testimony in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Hawaii Floriculture and Nursery Association, Hawai'i Farm Bureau, Hawaii Papaya Industry Association, and forty-two individuals.

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's biosecurity program is vital to the public's health and welfare. While inspections are critical, building local capacity through public-private partnerships to increase the State's ability to stop the entry of high-risk products would enhance the State's ability to mitigate and manage invasive species, not only to protect the fragile environment, but to grow the local agricultural industries and increase levels of self-sufficiency and sustainability.

Your Committees also find that it is necessary to ensure that confidential business information is protected during the quarantine inspection process.

Your Committees have therefore amended this measure by:

- (1) Inserting language to require that actual access to shipping documents is limited to shipping companies and Department of Agriculture personnel;
- (2) Amending section 1 to better reflect its purpose;
- (3) Inserting an effective date of July 1, 2016; 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, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2424, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2424, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

SCRep. 2967 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on H.B. No. 2036

The purpose and intent of this measure is to require an automatic extension of the deadline for the Department of Land and Natural Resources' decision on a conservation district use application of ninety days beyond the time necessary to complete an environmental impact statement or contested case hearing, if required.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Chamber of Commerce Hawaii, Kona-Kohala Chamber of Commerce, and one individual.

Your Committees find that this measure ensures that adequate time will be automatically granted if a contested case hearing or environmental impact statement is required, in order to avoid an automatic approval of a conservation district use application.

Your Committees have amended this measure to make it effective upon its approval.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose

of H.B. No. 2036, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2036, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

SCRep. 2968 Water, Land, and Agriculture on H.B. No. 1869

The purpose and intent of this measure is to appropriate funds to the Department of Agriculture to provide assistance and funding to the National Wildlife Research Center of the United States Department of Agriculture to:

- (1) Complete the research assessment of the negative impacts of the rose-ringed parakeet on the island of Kauai initiated by the Center in 2011; and
- (2) Develop and implement an effective control plan to reduce the negative impacts of the rose-ringed parakeet on the island of Kauai.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Agriculture, Aha Moku Advisory Committee, Hawai'i Farm Bureau, and one individual. Your Committee received testimony in opposition to this measure from two individuals.

Your Committee finds that the rose-ringed parakeet, *Psittacula krameri*, native to Africa and India, is considered to be one of the most significant agricultural pests of important food crops. The National Wildlife Research Center of the United States Department of Agriculture estimated there were more than two thousand rose-ringed parakeets on Kauai as of 2011 and concluded that these birds are probably dispersing invasive plant species, including lilikoi and strawberry and yellow guava; possibly destroying native seeds, including koa; and potentially competing with native birds for fruits, seeds, and nesting sites. Additionally, the parakeets are damaging and reducing the yield of many crops, including lychee, longan, and rambutan. Your Committee finds that there is a strong need for a more cost-effective means to control the damage created by rose-ringed parakeets on Kauai to reduce the potential for damage to economically important crops and natural resources, and avoid any negative effects on the health and safety of Kauai residents and visitors.

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

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1869, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1869, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 2969 Water, Land, and Agriculture on H.B. No. 1999

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 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.

Your Committee received testimony in support of this measure from the Department of Agriculture; Land Use Research Foundation of Hawaii; Hawaii Cattlemen's Council, Inc.; Ulupono Initiative; Hawai'i Farm Bureau; American Feed Industry Association; and Ponoholo Ranch, Limited.

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. 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 has amended this measure by:

- (1) Clarifying that grant disbursements are for development costs of feed sold to qualified producers;
- (2) Clarifying when an annual financial statement is to be filed by a qualified feed developer;
- (3) Inserting language to clarify when documentation of animal feed costs and an annual financial statement are to be filed by a qualified producer;
- (4) Inserting an effective date of July 1, 2016; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1999, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1999, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 2970 Water, Land, and Agriculture on H.B. No. 2029

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Water Infrastructure Authority;
- (2) Establish a Hawaii Water Infrastructure Loan Program under the Hawaii Water Infrastructure Authority, within the Department of Land and Natural Resources, to make loans for water infrastructure development, repair, and maintenance; and
- (3) Establish and appropriate funds to the Hawaii water infrastructure special fund.

Your Committee received testimony in support of this measure from the Department of Agriculture, Land Use Research Foundation of Hawaii, Hawai'i Green Growth, Hawaii Fresh Water Council, and Hawai'i Farm Bureau. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and Aha Moku Advisory Committee. Your Committee received comments on this measure from the State Procurement Office, Department of Budget and Finance, Department of the Attorney General, and Department of Health.

Your Committee finds that irrigation infrastructure is the backbone of Hawaii's agricultural industry and it is critical to ensure the viability of these systems as the State continues toward its food security goals. Many of these systems are aging and are in need of significant improvements to modernize their collection and delivery systems and increase storage and reduce water losses and maintenance costs. Funds are necessary to help extend the life of these systems and to continue to move Hawaii toward a more sustainable future.

Your Committee has heard the testimony of the Departments of Land and Natural Resources and Agriculture and believes that the Water Infrastructure Loan Program should be administered within the Department of Agriculture's Agricultural Loan Program and not under the Department of Land and Natural Resources' Commission on Water Resource Management.

Your Committee has amended this measure by:

- (1) Moving the proposed new part from chapter 174C, Hawaii Revised Statutes, the State Water Code, to chapter 155, Hawaii Revised Statutes, relating to agricultural loans;
- (2) Deleting language that would have established the Hawaii Water Infrastructure Authority;
- (3) Replacing references to the Hawaii Water Infrastructure Authority with the Department of Agriculture;
- (4) Replacing references to the Department and Board of Land and Natural Resources with the Department and Board of Agriculture, respectively;
- (5) Deleting unnecessary definitions;
- (6) Amending the powers of the Department of Agriculture with regard to the Hawaii water infrastructure loan program;
- (7) Deleting language that would have required the submission of an annual plan with a projected operational budget for a subsequent fiscal year;
- (8) Deleting the exemption from section 37-53, Hawaii Revised Statutes, for the Hawaii water infrastructure special fund;
- (9) Deleting the exemption from state and county taxes for amounts in the Hawaii water infrastructure special fund;
- (10) Removing the appropriations to the counties;
- (11) Inserting an effective date of July 1, 2016; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2029, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2029, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 2971 Education on H.B. No. 2204

The purpose and intent of this measure is to repeal statutory sections related to annual increment and longevity step salary increases for Department of Education teachers and educational officers that have become obsolete because these increases are determined through collective bargaining.

Your Committee received testimony in support of this measure from the Department of Education, Department of Budget and Finance, Office of Collective Bargaining, and Department of the Attorney General. Your Committee received testimony in opposition to this measure from the Hawaii State Teachers Association and one individual.

Your Committee finds the statutory sections related to annual increment and longevity step salary increases were enacted in 1953, before public sector collective bargaining was established. Your Committee further finds that in 1986, annual salary increments and longevity steps were made mandatory subjects of negotiation in collective bargaining. As a result of this change in the law, the statutory provisions related to annual increment and longevity step salary increases are no longer necessary.

Your Committee has amended this measure by making the measure effective upon its approval.

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. 2204, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2204, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2972 Education on H.B. No. 2267

The purpose and intent of this measure is to authorize monies allocated for printed curricular materials to be expended for the purchase of digital formats of the curricular materials.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, CompTIA, TechNet, and five individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that digital information technologies become more and more integrated into public school classrooms as time goes on. Hawaii's students are growing up in a world where such technologies are increasingly prevalent, and many students have learning styles which are accustomed to taking advantage of those technologies when they are available.

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. 2267, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2973 Education on H.B. No. 2453

The purpose and intent of this measure is to appropriate monies for start-up grants for new pre-opening 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 School Network, and Kamehameha Schools. Your Committee received testimony in opposition to this measure from the Hawaii State Teachers Association and IMUAlliance.

Your Committee finds that certain Department of Education schools operate at full or near-full capacity, and struggle with severe overcrowding on campuses. These conditions make it difficult for such schools to provide an effective learning environment for their students. Newly approved pre-opening charter schools that meet the priority needs identified by the State Public Charter School Commission could help alleviate the overcrowding in certain non-charter public schools, but the start-up costs associated with opening a school are often prohibitively high. Start-up grants would facilitate approved pre-opening schools absorbing those high start-up costs and consequently benefit all of Hawaii's public school 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 H.B. No. 2453, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2974 Education on H.B. No. 2266

The purpose and intent of this measure is to ensure that the Executive Office on Early Learning has the necessary staffing and support to ensure a solid foundation for Hawaii's young children by appropriating funds for:

- (1) Travel for the Early Learning Advisory Board to attend meetings;
- (2) A secretary IV position; and
- (3) A research statistician IV position.

Your Committee received testimony in support of this measure from the Executive Office on Early Learning, State Charter School Commission, Hawaii State Teachers Association, Kamehameha Schools, HE'E Coalition, Hawaii Children's Action Network, Chamber of Commerce Hawaii, and two individuals.

Your Committee finds that the Executive Office on Early Learning's mission is to ensure a solid foundation for Hawaii's young children, prenatal to age five, by working with partners, families, and communities and connecting policies, programs, and funding in relation to health, safety, early childhood education, and school readiness and success. Adequate support for infrastructure and staffing is vital to the Executive Office on Early Learning's ability to accomplish that mission.

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. 2266, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2975 Education on H.B. No. 1814

The purpose and intent of this measure is to provide a safe learning environment for students in Department of Education schools by:

- (1) Requiring the Department of Education to report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018 regarding the Department's progress toward implementing sections of chapter 302A, Hawaii Revised Statutes, limiting punishment of pupils; prohibiting the use of seclusion, chemical restraint, or mechanical restraint; and limiting the use of physical restraint, as well as the expenditure of funds previously appropriated for the purpose of implementing those sections; and
- (2) Appropriating funds for a full-time equivalent position to provide training and data accountability to assist with the implementation of those sections.

Your Committee received testimony in support of this measure from the Department of Education, State Council on Developmental Disabilities, Hawaii State Teachers Association, Special Education Advisory Council, and Hawaii Disability Rights Center.

Your Committee finds that the use of improper disciplinary techniques and excessive use of restraints in schools can be harmful to students. Existing law provides guidance to teachers and school personnel in proper methods of maintaining discipline that promote an environment conducive to learning and do not harm students. This measure provides the resources to train teachers and school personnel in these methods.

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. 1814, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2976 Education on H.B. No. 2494

The purpose and intent of this measure is to permit:

- (1) The self-administration of blood glucose monitoring by a student in a Department of Education school; and
- (2) Department of Education employees and agents to volunteer to administer blood glucose monitoring or to assist a student with blood glucose monitoring.

Your Committee received testimony in support of this measure from the Department of Education, Department of Health, Hawaii State Teachers Association, American Diabetes Association, and five individuals.

Your Committee finds that blood glucose monitoring is vitally important to students with diabetes. Under certain circumstances, some students may require immediate assistance administering blood glucose tests. Allowing Department of Education employees to assist students with diabetes in administering such tests will help keep those students medically safe at school.

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. 2494, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2977 Education on S.C.R. No. 61

The purpose and intent of this measure is to further community resilience and prompt, effective response to disasters by encouraging the Department of Education to promote increased participation by schools in the Community Emergency Response Team program.

Your Committee received comments on this measure from the Department of Education.

Your Committee finds that Community Emergency Response Team (CERT) is a federally-sponsored program that provides training to the public in disaster preparedness, disaster fire suppression, basic medical operations, and light search and rescue operations. The CERT program is currently administered by the counties and the training is free. Schools may arrange for CERT training for their students, and some high schools within the State have already participated in the program. Your Committee finds that increased participation in the CERT program by schools would benefit local communities and the State as a whole.

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. 61 and recommends that it be referred to your Committee on Public Safety, Intergovernmental, and Military Affairs.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2978 Education on S.R. No. 33

The purpose and intent of this measure is to further community resilience and prompt, effective response to disasters by encouraging the Department of Education to promote increased participation by schools in the Community Emergency Response Team program.

Your Committee received comments on this measure from the Department of Education.

Your Committee finds that Community Emergency Response Team (CERT) is a federally-sponsored program that provides training to the public in disaster preparedness, disaster fire suppression, basic medical operations, and light search and rescue operations. The CERT program is currently administered by the counties and the training is free. Schools may arrange for CERT training for their students, and some high schools within the State have already participated in the program. Your Committee finds that increased participation in the CERT program by schools would benefit local communities and the State as a whole.

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. 33 and recommends that it be referred to your Committee on Public Safety, Intergovernmental, and Military Affairs.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2979 Education on S.R. No. 20

The purpose and intent of this measure is to encourage the Board of Education to include at least one individual who is a representative of the special education community on the Committee on Weights.

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 students with disabilities requiring special education are diverse and have a wide range of needs that are different from those of the student body as a whole. Special education teachers are often required to tailor the curriculum to the specific needs of the student. Currently, special education programs face shortages of resources and qualified teachers. Representation by the special education community on the Committee of Weights may help to resolve or mitigate these serious issues.

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 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2980 Commerce, Consumer Protection, and Health on H.B. No. 2559

The purpose and intent of this measure is to:

- (1) Require the family court to consider assisted community treatment as an alternative to commitment to a psychiatric facility for a person subject to a petition for involuntary hospitalization; and
- (2) Make permanent statutes establishing criteria and procedures for family court ordered assisted community treatment.

Your Committee received comments on this measure from the Judiciary, Department of Health, Department of the Attorney General, and one individual.

Your Committee finds that there are serious problems of high incarceration and hospitalization rates of those with severe mental illness. Assisted community treatment provides an opportunity for people with serious mental illness to be treated in the least restrictive setting and reduces the trend toward criminalizing mental illness.

Your Committee has amended this measure by:

- (1) Deleting language that would have required a petitioner for involuntary hospitalization to request for the alternative relief of assisted community treatment and request that the family court order the appropriate treatment alternative;
- (2) Deleting language that would have required that the notice in a petition for involuntary hospitalization include a statement that the family court may order assisted community treatment in lieu of involuntary hospitalization;
- (3) Deleting language that would have required that if the family court finds that a person does not meet criteria for involuntary hospitalization, the family court assess whether the person meets criteria for assisted community treatment and, if so, order that treatment to commence;
- (4) Deleting language that would have specified that a petition for assisted community treatment may be initiated independently or as a request for alternative relief in a petition for involuntary hospitalization;
- (5) Inserting a definition for “imminently dangerous to self or others”;
- (6) Repealing the authority of a law enforcement officer to take into custody and transport a person subject to an assisted community treatment order to any designated mental health program;
- (7) Requiring a court order stating probable cause to believe a person is mentally ill or suffering from substance abuse, is imminently dangerous to self or others and in need of care or treatment, or both, to also direct the person to be taken into custody and, if subject to an assisted community treatment, transported to any designated mental health program;
- (8) Inserting language that extends the maximum duration of assisted community treatment that may be ordered from one hundred eighty days to one year;
- (9) Inserting language that amends the circumstances under which a subject of an assisted community treatment may be physically forced to take medication;
- (10) Inserting an effective date of July 1, 2050, to encourage further discussion; and

(11) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

To assist your Committees on Judiciary and Labor and Ways and Means in their deliberation on this measure, your Committee notes the comments and concerns regarding the ninety day timeframe as used in the definition of “imminently dangerous to self or others” and that the defective effective date indicates that this measure requires further discussion.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2559, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2559, H.D. 1, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2981 Commerce, Consumer Protection, and Health on H.B. No. 1627

The purpose and intent of this measure is to:

- (1) Require the Regulated Industries Complaints Office to establish a division that specializes in the investigation of medical cases involving regulated professions and occupations; and
- (2) Appropriate funds from the compliance resolution fund for field investigators and staff attorneys who specialize in medical cases.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Hawaii Medical Association.

Your Committee finds that the Regulated Industries Complaints Office investigates allegations of professional misconduct by licensees and any possible unlicensed activity that may be occurring in Hawaii. When professions and occupations involve complex medical issues and scopes of practice that are widely varied, the enforcement of these professional and occupational regulations can be especially challenging. Your Committee further finds that despite the Regulated Industries Complaints Office’s critical role in protecting consumers, the Office lacks investigators with specialized experience or expertise in medical issues. The additional positions proposed by this measure would assist the Regulated Industries Complaints Office in its investigation of medical complaints and allow the Office’s existing staff more time to investigate complaints involving the other professions overseen by the Regulated Industries Complaints Office.

Your Committee has requested the Regulated Industries Complaints Office to provide an estimated cost breakdown for the proposed positions established by this measure, as this measure will next be considered by your Committee on Ways and Means. According to information received from the Regulated Industries Complaints Office, the appropriate numbers of additional positions for the medical cases division are four field investigators and one staff attorney. The Regulated Industries Complaints Office has estimated that the ongoing direct personnel costs for a new Investigator IV will be \$98,800, including fringe benefits. An additional \$5,250 in other operating costs are estimated for each investigator, for a total ongoing direct cost of \$104,050 per investigator. The Regulated Industries Complaints Office has also estimated the following costs per staff attorney: ongoing direct personnel costs at \$114,000, including fringe benefits, in addition to \$7,450 in other operating costs, for a total ongoing direct cost of \$121,450 per staff attorney. The Regulated Industries Complaints Office also estimates a one-time direct cost expense of \$5,000 for each new position, for a combined total appropriation request of \$562,650.

Your Committee has amended this measure by:

- (1) Amending the proposed positions established by this measure from an unspecified number to four full-time equivalent (4.0 FTE) field investigators and one full time-time equivalent (1.0 FTE) staff attorney;
- (2) Inserting an appropriation of \$562,650 out of the compliance resolution fund for the field investigators and staff attorney;
- (3) Inserting an effective date of 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1627, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1627, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2982 Commerce, Consumer Protection, and Health on H.B. No. 1852

The purpose and intent of this measure is to clarify that nonprofit organizations may receive loans from the water pollution control revolving fund to engage in activities that are consistent with the Federal Water Pollution Control Act, including the planning, designing, and construction of wastewater treatment works.

Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the areas of the State that are more likely to have cesspools would be greatly served by wastewater treatment works. While the State or counties may not place a priority on providing water pollution control facilities to areas with prominent cesspool usage, some residents of these areas are willing to work together to plan, design, and construct wastewater treatment works. However, wastewater treatment works can have significant costs, and because the Clean Water State Revolving Fund Loan Program, a federal-state partnership that assists in financing the construction of water pollution control projects, only provides

loans to state and county agencies, interested groups of residents cannot access this funding mechanism. This measure allows nonprofit organizations to be eligible to receive loans from the Clean Water State Revolving Fund Loan Program, providing a way for community members to plan, design, and construct wastewater treatment works in their areas.

Your Committee has amended this measure by:

- (1) Deleting language that would have established a new section in chapter 342D, Hawaii Revised Statutes, to allow the Director of Health to make and condition loans for nonprofit organizations for planning, designing, or constructing a wastewater treatment works, as federal law already permits nonprofit entities to receive financial assistance from the Clean Water State Revolving Fund for the construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage;
- (2) Inserting language that, under certain conditions, allows the Director of Health to hold individual members of a nonprofit organization that receives a loan from the Clean Water State Revolving Fund Loan Program separately and jointly liable for the nonpayment or default of the loan; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1852, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1852, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 2983 Commerce, Consumer Protection, and Health on H.B. No. 2090

The purpose and intent of this measure is to streamline the operations of the Office of the Assistant Registrar of the Land Court by removing the requirement that the Assistant Registrar certify pending certificates of title for fee time share interests.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, American Resort Development Association Hawaii, and Wyndham Vacation Ownership. Your Committee received comments on this measure from one individual.

Your Committee finds Hawaii's land court law, originally enacted in 1903, was intended to establish clear title to a parcel of land through a court proceeding by requiring the Land Court to determine the lawful owner of a parcel of real estate, then issue a certificate of title to that owner. From then on, an encumbrance could not affect title without first being filed in the Land Court, nor could a deed to convey title become effective without first being filed. Although the Land Court system worked well for a number of years, the eventual introduction of condominium projects and time share plans into the Land Court system created problems.

Your Committee further finds that in 2008, a legislative investigative committee identified serious shortcomings related to the Bureau of Conveyances. In 2009, legislation was passed to ease the backlog in Land Court recording and registration by, among other things, transferring fee simple time share interests from the Land Court system to the regular system. In 2012, additional legislation removed fee time share interests from the Land Court system, as of July 1, 2012. This was intended to lighten the load of the Assistant Registrar in the preparation and certification of the certificates of title for fee time share interests without delaying the removal of fee time share interests from the Land Court system.

However, the requirement for the Assistant Registrar to certify all the remaining uncertified fee time share certificates of title remains burdensome on the Assistant Registrar, due to resource limitations and the demands of new transactions. Accordingly, this measure streamlines the operations of the Assistant Registrar of the Land Court by removing the requirement that the Assistant Registrar certify all pending or otherwise uncertified certificates of title for fee time share interests, all of which were removed from the Land Court system as of July 1, 2012.

Your Committee notes that interested stakeholders have been working on consensus language to address certain concerns raised in testimony, including whether there are any conveyances that may have occurred between the date of the last certified certificate of title and the July 1, 2012, date of deregistration. Your Committee finds that the interested stakeholders have reached an agreement on consensus language designed to address these potential gaps and amendments to this measure and that incorporating this consensus language is therefore necessary.

Accordingly, your Committee has amended this measure by:

- (1) Changing all references to the phrase "pending fee time share interest certificate of title" to "uncertified fee time share interest certificate of title";
- (2) Permitting a party in interest to submit a written request and obtain a certified transfer certificate of title;
- (3) Requiring the Assistant Registrar to note on the certificate of title for each fee time share interest all documents and instruments affecting the fee time share interest that were not yet noted on the certificate of title as of the earlier of: the date and time of deregistration; or the date and time of cancellation of the certificate of title;
- (4) Clarifying that an uncertified fee time share interest certificate of title has the same force and effect as a certified fee time share interest certificate of title but specifying that the Assistant Registrar has the right to correct and complete the uncertified fee time share interest certificate of title prior to its certification;
- (5) Clarifying that estates, mortgages, liens, charges, instruments, documents, and papers registered with respect to registered land are deemed noted on the uncertified fee time share interest certificate of title, when the registration occurred prior to the earlier of: the date and time of cancellation of a fee time share interest certificate of title; or July 1, 2012;

- (6) Removing language that would have subjected the chain of record title of deregistered land to money judgments, orders, or decrees of a state or district court, with certain exceptions; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure remains a work in progress and additional amendments may be necessary as this measure continues through the legislative process.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2090, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2090, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 2984 (Joint) Commerce, Consumer Protection, and Health and Education on S.C.R. No. 44

The purpose and intent of this measure is to request the Auditor to conduct a sunrise analysis on the regulation of school psychologists.

Your Committees received testimony in support of this measure from the Department of Education and Hawaii Association of School Psychologists. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committees find that school psychologists employed in the public sector are currently exempt from licensure in Hawaii. This exemption has enabled individuals to practice psychology within a public educational setting even if they lack graduate training in school psychology or have not met the nationally accepted certification standard. According to testimony received by your Committees, Hawaii is the only state in the nation that permits this.

Your Committees further find that this measure requests the Auditor to conduct a sunrise analysis on the regulation of school psychologists, as proposed by Senate Bill No. 2612, Regular Session of 2016. The Auditor's analysis would set forth the probable effects of the proposed regulatory measure, assess whether its enactment is consistent with section 26H-6, Hawaii Revised Statutes, and assess alternative forms of regulation. Your Committees additionally find that a sunrise analysis is the necessary next step toward the licensing and regulation of school psychologists in the public sector, which will ensure that all students in public and private educational settings have access to school psychologists who meet specific training and expertise requirements.

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, Consumer Protection, and Health and Education that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 44, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 44, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Nishihara, Ruderman, Slom).
Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2985 Hawaiian Affairs on Gov. Msg. No. 607

Recommending that the Senate advise and consent to the nomination of the following:

HAWAIIAN HOMES COMMISSION

G.M. No. 607 WREN WESCOATT, III, for a term to expire 06-30-2019

Your Committee received testimony in support of the nomination of Wren Wescoatt, III, from the Department of Hawaiian Home Lands, Kewalo Hawaiian Homes Community Association, and nine individuals. Your Committee received testimony in opposition to the nomination of Mr. Wescoatt from Ho'omana Pono, LLC.

Upon review of the testimony, your Committee finds that Mr. Wescoatt's professional experience and perspective will be great assets to the Hawaiian Homes Commission. Specifically, your Committee finds that Mr. Wescoatt has work experience as an educator, business owner, nonprofit director, and energy developer and, from those experiences, expertise in land management, renewable energy, finance, and education and social programs, which are of particular importance to Native Hawaiians and the work of the Hawaiian Homes Commission. Mr. Wescoatt is committed to improving the lives of Native Hawaiians. He considers the housing of Native Hawaiians to be a priority and primary purpose of the Hawaiian Homes Act and hopes to assist in the implementation of a sound financial plan that enables the Department of Hawaiian Home Lands to manage and grow its financial assets. Your Committee further finds that Mr. Wescoatt has been nominated to the Hawaiian Homes Commission based on his knowledge, experience, and commitment to improving housing in the State.

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 (Kim, Slom).

SCRep. 2986 Tourism and International Affairs on S.C.R. No. 20

The purpose and intent of this measure is to request the Hawaii Sister-State Committee to evaluate and develop recommendations to initiate a sister-state relationship between the State of Hawaii and Goa of the Republic of India for economic, social, cultural, educational, and environmental benefits.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Bombay Palace Restaurant; Cosmopolitan Sun Shop; Down to Earth; Gandhi International Institute for Peace; Honpa Hongwanji Mission of Hawaii; Iskcw Temple; Indian-American Friendship Council; Indian Market; MOA Hawaii; World Medicine Institute; and numerous individuals. Your Committee received testimony in opposition to this measure from the Center for Hawaiian Sovereignty Studies.

Your Committee finds that Hawaii is actively seeking to expand its international ties and has an abiding interest in developing goodwill, friendship, environmental stewardship, and economic relations between the people of Hawaii and the people of many nations. Your Committee further finds that the Republic of India, one of the most diverse and most populous democratic countries in South Asia, is recognized internationally as the future of economic development. Goa is thought of as a leader in technology and could provide enrichment opportunities for student exchanges with the University of Hawaii. A relationship between Hawaii and Goa will create new possibilities to share markets involving medicinal, herbal, and other food products, and to trade agricultural and culinary knowledge related to these products.

The Hawaii Sister-State Committee submitted a recommendation by letter dated January 7, 2016, signed by Luis P. Salaveria, Director of Business, Economic Development, and Tourism, and addressed to the President and members of the Senate and Speaker and members of the House of Representatives, recommending establishment of a sister-state relationship with Goa.

Your Committee has amended this measure by deleting its contents and substituting them with language, including an amended title, that establishes a sister-state relationship by concurrent resolution, the next step as required by law.

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. 20, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 20, S.D. 1.

Signed by the Majority Leader on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Tokuda, Slom).

SCRep. 2987 Education on S.C.R. No. 43

The purpose and intent of this measure is to request the State Public Charter School Commission to convene a working group composed of interested legislators, members of the Department of Education, a member of the State Public Charter School Commission, members of community non-profits who have experience working with adult learners, and other interested stakeholders to evaluate the feasibility of establishing a high school diploma granting public charter school program for adult learners.

Your Committee received testimony in support of this measure from the University of Hawaii West Oahu, Hawaii Public Charter School Network, Goodwill Industries of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Education and the State Public Charter School Commission.

Your Committee finds that a significant number of adult residents in Hawaii do not have a high school diploma. Individuals who have high school diplomas earn more on average than those who have General Educational Development transcripts or similar high school equivalency credentials. Although many adult residents of Hawaii without high school diplomas wish to earn such qualifications, the existing high school enrollment age limit in the State prevents adult learners older than twenty years of age from enrolling in public high school programs. Your Committee finds that this measure is an important step toward giving adult learners in Hawaii valuable educational opportunities that would otherwise be denied to them. Your Committee also finds that a more tightly focused working group with closer connections to adult learners will offer clearer insight into the establishment of an effective diploma granting program.

Your Committee has amended this measure by:

- (1) Limiting the number of members on the Task Force to seven;
- (2) Removing unspecified interested legislators from the Task Force;
- (3) Adding the Chairs of the Senate and House Committees on Education, or their respective designees, to the Task Force;
- (4) Clarifying that the Superintendent of Education may assign a designee to the Task Force;
- (5) Allowing the Board of Education to designate an individual to the Task Force rather than only a member of the Board of 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 Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 43, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 43, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2988 Education on S.R. No. 21

The purpose and intent of this measure is to request the State Public Charter School Commission to convene a working group composed of interested legislators, members of the Department of Education, a member of the State Public Charter School Commission, members of community non-profits who have experience working with adult learners, and other interested stakeholders to evaluate the feasibility of establishing a high school diploma granting public charter school program for adult learners.

Your Committee received testimony in support of this measure from the University of Hawaii West Oahu, Hawaii Public Charter School Network, Goodwill Industries of Hawaii, and one individual. Your Committee received comments on this measure from the Department of Education and the State Public Charter School Commission.

Your Committee finds that a significant number of adult residents in Hawaii do not have a high school diploma. Individuals who have high school diplomas earn more on average than those who have General Educational Development transcripts or similar high school equivalency credentials. Although many adult residents of Hawaii without high school diplomas wish to earn such qualifications, the existing high school enrollment age limit in the State prevents adult learners older than twenty years of age from enrolling in public high school programs. Your Committee finds that this measure is an important step toward giving adult learners in Hawaii valuable educational opportunities that would otherwise be denied to them. Your Committee also finds that a more tightly focused working group with closer connections to adult learners will offer clearer insight into the establishment of an effective diploma granting program.

Your Committee has amended this measure by:

- (1) Limiting the number of members on the Task Force to seven;
- (2) Removing unspecified interested legislators from the Task Force;
- (3) Adding the Chairs of the Senate and House Committees on Education, or their respective designees, to the Task Force;
- (4) Clarifying that the Superintendent of Education may assign a designee to the Task Force;
- (5) Allowing the Board of Education to designate an individual to the Task Force rather than only a member of the Board of 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 Education 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, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 2989 (Joint) Human Services and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1987

The purpose and intent of this measure is to address the problem of youth gangs in the State by appropriating funds for:

- (1) The Office of Youth Services to provide and develop prevention and intervention services and programs statewide for youth at risk; and
- (2) The police departments of the City and County of Honolulu and the Counties of Hawaii, Kauai, and Maui to monitor gang activities and establish new gang prevention strategies and projects.

Your Committees received testimony in support of this measure from the Executive Office on Aging, Office of Youth Services, Parents and Children Together, and one individual. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that there is a growing youth gang problem in the State that must be addressed. Your Committees also find that providing and developing prevention and intervention programs, and providing information about the issue to the public, as well as monitoring gang activities and establishing new gang prevention strategies and projects statewide, are effective ways to address the youth gang problem. Your Committees further find that this measure establishes and funds these strategies.

Your Committees have amended this measure by:

- (1) Inserting language to require the Office of Youth Services to coordinate the development of a youth gang information program;
- (2) Specifying that a portion of the appropriation for monitoring gang activities and establishing new gang prevention strategies and projects statewide should be designated to each of the counties of the State; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees request that the Honolulu Police Department provide assistance in identifying the funds that should be appropriated to each county.

As affirmed by the records of votes of the members of your Committees on Human Services 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. 1987, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1987, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Human Services: Ayes, 6. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 2990 (Joint) Human Services and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2647

The purpose and intent of this measure is to establish and appropriate funds for a Work for a Day Pilot Program to be administered by the City and County of Honolulu that provides homeless individuals with work opportunities.

Your Committees received testimony in support of this measure from six individuals.

Your Committees find that there are programs being introduced throughout the United States that help homeless individuals find work and afford shelter. A pilot program was launched in Albuquerque, New Mexico, to assist individuals in leaving the streets and connecting them with work. The pilot program is proving to be a success and is receiving national attention. A similar pilot program was introduced in Tucson, Arizona, assists homeless individuals attain temporary jobs.

Your Committees further find that a local pilot program on Oahu that is similar to the programs in Albuquerque, New Mexico, and Tucson, Arizona, will give homeless individuals day jobs.

Your Committees have amended this measure by:

- (1) Specifying that the duration of the pilot program is three years;
- (2) Inserting an appropriation amount of \$200,000 for the pilot program, to be matched by the City and County of Honolulu in the second and third year of the pilot program;
- (3) Transferring all remaining funds in the pilot program from the Governor's Coordinator on Homelessness to the Department of Human Services if the City and County of Honolulu is unable to establish the pilot program by January 1, 2017; 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 Human Services 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. 2647, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2647, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 6. Noes, none. Excused, 1 (Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 2991 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1874

The purpose and intent of this measure is to appropriate funds to establish a twenty-four-hour, seven-days-a-week, rapid response emergency medical services unit, including personnel, equipment, and operational expenses for the County of Kauai.

Your Committees received testimony in support of this measure from the Kauai Fire Department; Wilcox Memorial Hospital; United Public Workers, Local 646; Hawai'i Pacific Health; and ten individuals. Your Committees received comments on this measure from the Department of Health.

Your Committees find that pre-hospital emergency medical response has been increasing due to Kauai's population growth, aging demographic, and increase in households and visitors. The last time a new emergency medical services ambulance unit was added to Kauai was in 1992, immediately after Hurricane Iniki. This measure will significantly add to the level of care for Kauai visitors and residents, as faster response times during emergencies are critical in increasing the likelihood of good outcomes for sick or injured individuals.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and 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. 1874, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Espero, Inouye).

SCRep. 2992 (Joint) Commerce, Consumer Protection, and Health and Transportation and Energy on H.B. No. 2403

The purpose and intent of this measure is to amend the composition of the Medical Advisory Board.

Your Committees received testimony in support of this measure from the Department of Transportation.

Your Committees find that under existing law, the Medical Advisory Board must consist of one psychiatrist, one neurologist, one orthopedic surgeon, one ophthalmologist or optometrist, and one specialist in cardiovascular disease. However, efforts to recruit physicians in certain specialties to serve on the Board have been unsuccessful. Inability to recruit physicians with these specific specialties also make it difficult for the Board to obtain quorum for decision making purposes. This measure addresses these concerns by adjusting the composition of the Medical Advisory Board to more broadly include five physicians with an interest in psychiatry, neurology, orthopedics, ophthalmology or optometry, endocrinology, geriatrics, or addiction medicine.

Your Committees have amended this measure by amending its effective date to upon approval.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2403,

H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2403, 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, Consumer Protection, and Health: Ayes, 7. Noes, none. Excused, none.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Gabbard).

SCRep. 2993 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on H.B. No. 2626

The purpose and intent of this measure is to:

- (1) Prohibit the permitting of new underground storage tanks within 100 yards of the shoreline; and
- (2) Allow permit holders with existing underground storage tanks located within 100 yards of the shoreline to renew their permits.

Your Committees received testimony in support of this measure from the Department of Health, City and County of Honolulu Board of Water Supply, Conservation Council for Hawai'i, Sierra Club of Hawai'i, and one individual. Your Committees received comments on this measure from Par Hawaii and Hawaii Petroleum Marketers Association.

Your Committees find that climate change is real and that sea level rise poses a threat to Hawai'i's quality of life. Immediate preparation for sea level rise will protect natural resources and save money in the long term. The inundation of underground storage tanks poses risks to the aquifer as well as coastal water quality and marine ecosystems.

Your Committees further find that Act 97, Session Laws of Hawaii 2015, updates and extends Hawai'i's Clean Energy Initiative by, among other things, establishing benchmarks for renewable portfolio standards for electric utilities, including establishing a benchmark of 100 percent by December 31, 2045. By prohibiting the operation of new underground storage tanks within 100 yards of the shoreline beginning January 1, 2045, this measure may complement the renewable portfolio standards set forth in Act 97, Session Laws of Hawaii 2015, and assure that Hawaii moves beyond its dependence on imported fuels and continues to grow a local renewable energy industry.

Your Committees have amended this measure by:

- (1) Allowing the Department of Health to issue a new permit for an existing underground storage tank in order to repair or replace an existing underground storage tank; and
- (2) Prohibiting operation of and renewal of a permit for an underground storage tank within one hundred yards of the shoreline, beginning January 1, 2045.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2626, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2626, H.D. 1, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

SCRep. 2994 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on H.B. No. 1607

The purpose and intent of this measure is to require and appropriate funds for the Department of Agriculture to establish a pilot pesticide treatment coupon project, within the existing little fire ant program, and a little fire ant site map.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, University of Hawai'i System, Land Use Research Foundation of Hawaii, Hawai'i Farm Bureau, Hawai'i Association of REALTORS, Hawaii Pest Control Association, and seven 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.

Your Committees find that the little fire ant, *Wasmannia auropunctata*, threatens native biodiversity, alters tropical ecosystems, impairs human health, impedes tourism, diminishes agricultural productivity, mars horticulture sales, and accordingly ranks among the world's worst invasive species. The County of Hawaii has been affected most by the little fire ant. The University of Hawaii, the County of Hawaii, and the Department of Agriculture must collaborate to develop and implement effective measures to address the impacts of the little fire ant in the County of Hawaii. Your Committees therefore find that the Department of Agriculture needs resources to be more proactive and aggressive in implementing its current little fire ant program.

Your Committees have amended this measure by:

- (1) Amending section 1 to better reflect its purpose;
- (2) Clarifying that coupons may be used for supplies and equipment purchased from private companies;
- (3) Requiring the Department of Agriculture to provide each individual with information on the proper usage and health and safety precautions regarding the Department's recommended treatment plan; 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 Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B.

No. 1607, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1607, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

SCRep. 2995 (Majority) Economic Development, Environment, and Technology on H.B. No. 1735

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to study the effects of Hawaii's low property tax rates.

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 and Tax Foundation of Hawaii.

Your Committee finds that Hawaii has the lowest property taxes in the nation, which causes the counties to potentially forego additional tax revenue from high-value homes and second homes. Many individuals and families who spend time in Hawaii are owners of high-value properties and do not pay state income tax, instead maintaining resident status in another state with a lower income tax rate. However, these individuals still use Hawaii's infrastructure and services, and thus should pay their fair share of taxes. Your Committee further finds that low property taxes can incentivize development of high-end, high-value properties, contributing to the high cost of land, driving up the cost of living, and exacerbating affordable housing and homelessness issues.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1735, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Espero, Keith-Agaran). Noes, 1 (Slom). Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 2996 Economic Development, Environment, and Technology on H.B. No. 2669

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist TruTag Technologies, Inc., as a manufacturing enterprise.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii; TruTag Technologies, Inc.; and three individuals. Your Committee received 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 TruTag Technologies, Inc., to finance or refinance the planning, construction, improvement, and equipping of its manufacturing facilities in the State to produce silica microtags for identification, tracking, authentication, brand protection, and quality assurance of high-volume, high-value items, such as electronics and industrial parts. 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2669, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 2997 (Joint) Economic Development, Environment, and Technology and Commerce, Consumer Protection, and Health on H.B. No. 2646

The purpose and intent of this measure is to protect public health by establishing a permanent Fuel Tank Advisory Committee within the Department of Health to study, monitor, and address issues related to leaks of underground fuel storage tanks.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Department of Health, City and County of Honolulu Board of Water Supply, Conservation Council for Hawai'i, and three individuals. Your Committees received comments on this measure from the Navy Region Hawaii.

Your Committees find that protecting the environment and underground sources of drinking water is in the best interest of public health and safety and required under article XI, section 7, of the state constitution. Since 2005, petroleum chemical contaminants have been detected in the groundwater and rocks beneath the United States Department of the Navy's Red Hill Bulk Fuel Storage Facility fuel tanks. Your Committees further find that while it should be the duty of the United States Navy to fund efforts to monitor and remediate fuel leaking from the Red Hill Bulk Fuel Storage Facility, the protection of Oahu's drinking water supply is of such critical importance to the health and safety of the people of Hawaii that the City and County of Honolulu Board of Water Supply is funding the installation of two test wells in the area, the State is funding two test wells in the area, and the people of Hawaii are waiting for the United States Navy to provide funding for at least four additional wells.

Your Committees have amended this measure by:

- (1) Expanding the membership of the Fuel Tank Advisory Committee to include the Chairperson of the Commission on Water Resource Management, or the Chairperson's designee, and the Director of Health, or the Director's designee;
- (2) Clarifying that the Fuel Tank Advisory Committee shall study issues related to leaks of field-constructed underground fuel storage tanks; 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, Environment, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2646, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2646, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Espero, Galuteria, Ihara, Keith-Agaran).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Ruderman).

SCRep. 2998 Water, Land, and Agriculture on H.B. No. 2025

The purpose and intent of this measure is to convene a task force to identify the ten most vital marine species to Hawaii's reef ecosystems that would be vulnerable to extinction if the take level of those species increases and to assist the Department of Land and Natural Resources in determining possible actions to preserve those species.

Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources, Hawaii Nearshore Fishermen, Wayne's Ocean World, and five individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that Hawaii's coral reefs are home to a wide variety of marine species, many of which are endemic to Hawaii, that play an important role for the State's inhabitants and provide residents and visitors physical, cultural, environmental, and spiritual sustenance. As interest in the marine species of Hawaii increases, the number of species being removed from their native coral reefs also increases and makes marine species found in the coral reefs of Hawaii more vulnerable to extinction.

Your Committee has amended this measure by:

- (1) Clarifying that the task force membership includes the Administrator of the Office of Hawaiian Affairs, or the Administrator's designee;
- (2) Inserting an effective date of July 1, 2016; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2025, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2025, H.D. 1, S.D. 1, and be referred to your Committees on Ways and Means and Economic Development, Environment, and Technology.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 2999 Water, Land, and Agriculture on H.B. No. 2657

The purpose and intent of this measure is to:

- (1) Amend the Molokai diversified agricultural revolving loan program established by Act 387, Session Laws of Hawaii 1988, to provide cost reimbursements to Molokai farmers and ranchers to reimburse costs of mandated food safety compliance audits and other related costs; and
- (2) Appropriate funds to the Maui Office of Economic Development to review and approve applications for the loan program.

Your Committee received testimony in support of this measure from the Department of Agriculture, Hawai'i Farm Bureau, and two individuals.

Your Committee finds that the United States Food and Drug Administration is currently rolling out rules for the Food Safety Modernization Act (FSMA). Although final details are unclear, it is becoming evident that compliance will be costly. Your Committee further finds that Molokai is in need of business development and growth in diversified agriculture and many farmers and ranchers on the island of Molokai will be unable to comply with the mandates of the FSMA without assistance.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2657, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2657, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3000 Water, Land, and Agriculture on H.B. No. 2604

The purpose and intent of this measure is to clarify that acceptance by the Territorial Legislature or the Legislature of a dedication of land in the Kakaako Community Development District by a private owner is sufficient to convey title to the State.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources. Your Committee received comments on this measure from the Department of the Attorney General, Hawaii Community Development Authority, and Chamber of Commerce Hawaii.

Your Committee finds that there is currently a dispute regarding ownership of public rights-of-way in the Kakaako Community Development District. Your Committee further finds that the Hawaii Community Development Authority is better suited than the Department of Land and Natural Resources to take title to and manage real property within the Kakaako Community Development District.

Your Committee has amended this measure by:

- (1) Moving the proposed language from section 171-30, Hawaii Revised Statutes, relating to acquisition of real property by the Department of Land and Natural Resources, to a new section in chapter 206E, Hawaii Revised Statutes, relating to the Hawaii Community Development Authority;
- (2) Amending the language to be consistent with section 264-1(c)(1), Hawaii Revised Statutes; 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, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2604, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2604, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3001 Water, Land, and Agriculture on H.B. No. 2198

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist West Maui Investors, LLC, with permits, testing, construction, and post-construction management of two Ukumehame reservoirs.

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 Department of Budget and Finance.

Your Committee finds that Ukumehame Reservoir numbers 2 and 3 are earthen embankment dams constructed side-by-side along the bottom of the western slope of the Ukumehame Gulch on the island of Maui that receive water from a small diversion off of the stream in the Ukumehame Gulch, which has historically been utilized for agricultural water in the nearby area. Your Committee further finds that following the discovery of a major leak from Ukumehame Reservoir number 3 in 2008, the water level in reservoir numbers 2 and 3 were drawn down to minimize the risk of failure; however, the owner modified portions of the water system to bypass Ukumehame Reservoir numbers 2 and 3 and has yet to implement any remediation work that would address public safety.

Your Committee has amended this measure by:

- (1) Reinserting the special purpose revenue bond amount of \$850,285; and
- (2) Inserting an effective date of July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2198, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2198, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 3002 Water, Land, and Agriculture on H.B. No. 2680

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist the Mary N. Lucas Estate with the Kaloko Reservoir.

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 Department of Budget and Finance.

Your Committee finds that the Kaloko Reservoir is an earthen dam constructed in 1890 for the irrigation of sugarcane fields on the island of Kauai. It is currently owned by the Mary N. Lucas Estate and, until 2015, was operated by Kilauea Irrigation Company. On March 14, 2006, after an extended period of heavy rainfall, the embankment breached and the dam failed disastrously, flooding Kilauea town, killing seven people, destroying several homes and critical infrastructure, and devastating the forest area downstream. The Kaloko Reservoir has not been fully repaired since the dam failure. Your Committee finds that improvements to the reservoir would bring the structure into compliance with current dam safety standards, which would reduce the risk of another dam failure, and provide a water resource that will benefit the surrounding community.

Your Committee has amended this measure by:

- (1) Reinserting the special purpose revenue bond amount of \$10,000,000; and
- (2) Inserting an effective date of July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2680, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2680, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 3003 Water, Land, and Agriculture on H.B. No. 1982

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Big Island Dairy LLC as an agricultural enterprise.

Your Committee received testimony in support of this measure from the Department of Agriculture; Local Food Coalition; Hawai'i Farm Bureau; Hawaii Cattlemen's Council, Inc.; Ponoeholo Ranch, Limited; Big Island Dairy LLC; Ulupono Initiative; Hawaii Foodservice Alliance LLC; 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 the proceeds of the sale of special purpose revenue bonds will be used by Big Island Dairy LLC to finance, refinance, and reimburse costs related to the planning, design, and construction of a new milk processing facility in the State. 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.

Your Committee has amended this measure by:

- (1) Inserting a special purpose revenue bond amount of \$10,000,000; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1982, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1982, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3004 Water, Land, and Agriculture on H.B. No. 2681

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist Spencer Homes, Inc., with Wailuku Reservoir No. 6.

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 Department of Budget and Finance.

Your Committee finds that the Wailuku Reservoir No. 6 is an off-stream reservoir located in the Waikapu Gardens Subdivision in the town of Wailuku on the island of Maui. It is owned by Spencer Homes, Inc.; completely surrounded by residential developments; and now functions as a storm water retention structure. Due to its location, Wailuku Reservoir No. 6 is classified as a high hazard structure and, if it were to fail, would cause probable loss of human life. Your Committee therefore finds that the issuance of special purpose revenue bonds under this measure is in the interest of public health, safety, and welfare.

Your Committee has amended this measure by:

- (1) Inserting a special purposes revenue bond amount of \$800,000;
- (2) Designating that the special purpose revenue bonds are to properly breach, modify, or provide improvements to Wailuku Reservoir No. 6, subsequent to all applicable permit requirements; and
- (3) Inserting an effective date of July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2681, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2681, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 3005 Water, Land, and Agriculture on H.B. No. 2020

The purpose and intent of this measure is to require and appropriate funds for the Department of Land and Natural Resources to contract for a study of macro algae along the Ewa coast of Oahu, analyze previous hydrologic studies in the Ewa coast of Oahu, and conduct and contract for studies to identify the causes of decline in limu and reef fish along the Ewa coast of Oahu.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, and two individuals. Your Committee received testimony in opposition to this measure from four individuals.

Your Committee finds that the steep decline of limu and reef fish along the Ewa coast of Oahu is a threat to Hawaii's economy, culture, and ecology. Your Committee further finds that the Legislature previously requested, through House Concurrent Resolution No. 119, S.D. 1 (Regular Session of 2015), that the Department of Land and Natural Resources provide a report of recommendations for actions to stop the decline of limu and reef fish along the Ewa coast. In response to the request, the Department of Land and Natural Resources determined that it did not have sufficient past baseline data to compare the impacts of land use changes and nutrient changes on the limu and reef fish populations and recommended that studies be conducted to identify the causes of decline in limu and reef fish along the Ewa coast. This measure provides the Department with resources to obtain the necessary data.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2020, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3006 (Joint) Water, Land, and Agriculture and Tourism and International Affairs on H.B. No. 1839

The purpose and intent of this measure is to support the Diamond Head State Monument by authorizing the issuance of general obligation bonds for the planning, design, and construction of a Diamond Head State Monument visitor and interpretive center.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Diamond Head State Monument Foundation, and O'ahu Island Parks Conservancy.

Your Committees find that Diamond Head is a world-famous landmark, representing Hawaii to millions of people throughout the world. Diamond Head State Monument receives over one million visitors annually - more than any other Hawaii state park - and the visitors currently use the services of an interpretive kiosk. Your Committees find that the high number of visitors justifies the planning, design, and construction of a dedicated visitor and interpretive center, which has been a long-standing goal of the Diamond Head State Monument master plan, and which can more adequately inform the public and provide educational programs about the unique history and significance of Diamond Head.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1839, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair and Majority Leader on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

Tourism and International Affairs: Ayes, 4. Noes, none. Excused, 3 (Green, Kim, Slom).

SCRep. 3007 (Joint) Water, Land, and Agriculture and Education on H.B. No. 1997

The purpose and intent of this measure is to implement the recommendation of the Hawaii Agriculture Workforce Advisory Board that the State should create an agriculture workforce development pipeline initiative to conduct training on all islands for teachers and school administrators in agricultural self-sufficiency.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Department of Education, University of Hawai'i System, Hawaii State Teachers Association, Hawai'i Center for Food Safety, Land Use Research Foundation of Hawaii, Maui County Farm Bureau, Hawaii Papaya Industry Association, and forty-seven individuals.

Your Committees find that Act 99, Session Laws of 2013, established the Hawaii Agriculture Workforce Advisory Board to advise the Department of Labor and Industrial Relations on, among other things, projects and programs recommended to promote the expansion and development of the State's agricultural industry. One recommendation of the Advisory Board is for the State to create an agriculture workforce development pipeline initiative to conduct training on all islands for teachers and school administrators in agricultural self-sufficiency. This measure would implement that recommendation.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1997, and recommend that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Ruderman, Shimabukuro).

Education: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Dela Cruz, Harimoto).

SCRep. 3008 (Joint) Hawaiian Affairs and Water, Land, and Agriculture and Economic Development, Environment, and Technology on H.B. No. 2035

The purpose and intent of this measure is to establish a three-year pilot project to promote photovoltaic powered desalination on the island of Kaho'olawe and to study certain aspects of the technology's use.

Your Committees received testimony in support of this measure from the Kaho'olawe Island Reserve Commission, Aha Moku Advisory Committee, and twenty-two individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; and three individuals.

Your Committees find that fresh water on Kaho'olawe is primarily shipped in or comes from desalination powered by diesel generators. Your Committees further find that the photovoltaic powered desalination project established by this measure will reduce the amount of diesel and the amount of fresh water that must be shipped to Kaho'olawe, which will reduce shipping costs in the long term and reduce carbon emissions from shipping and diesel power generators. Your Committees further find that the pilot project established by this measure will provide information about photovoltaic powered desalination that may prove valuable as climate change continues to affect the State and rest of the world.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$500,000;
- (2) Changing the effective date to July 1, 2016; 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, Water, Land, and Agriculture, and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2035, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2035, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3; Ayes with Reservations (Slom). Noes, none. Excused, 2 (English, Kim).

Water, Land, and Agriculture: Ayes, 7; Ayes with Reservations (Wakai, Slom). Noes, none. Excused, 2 (Dela Cruz, Ruderman).

Economic Development, Environment, and Technology: Ayes, 6; Ayes with Reservations (Espero, Keith-Agaran, Wakai, Slom). Noes, none. Excused, 3 (Baker, Galuteria, Ihara).

SCRep. 3009 (Joint) Hawaiian Affairs and Water, Land, and Agriculture on H.B. No. 2179

The purpose and intent of this measure is to appropriate funds for the administration and operation of the Aha Moku Advisory Committee and for community outreach.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Association of Hawaiian Civic Clubs, Marine and Coastal Zone Advocacy Council Ke Kahu O Na Kumu Wai, Ho Mai Ka Pono, South Kona Aha Moku, Waianae Hawaiian Civic Club, Makaha Hawaiian Civic Club, Kalihi Palama Hawaiian Civic Club, and eight individuals. Your Committees received testimony in opposition to this measure from Ho'okipa Network Kauai.

Your Committees find that the funds appropriated in this measure will allow the Aha Moku Advisory Committee to fulfill its mission and the provisions set forth in section 171-4.5, Hawaii Revised Statutes.

Your Committees have amended this measure by removing its contents and inserting the contents of S.B. No. 2161, S.D. 1, Regular Session of 2016, thereby:

- (1) Combining the appropriation for community outreach efforts of the Aha Moku Advisory Committee with the appropriation for administrative and operational expenses of the committee;
- (2) Inserting an appropriation amount of \$250,000;
- (3) Inserting an effective date of July 1, 2016; 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 Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2179, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2179, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Slom).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Ruderman).

SCRep. 3010 (Joint) Hawaiian Affairs and Water, Land, and Agriculture on H.B. No. 2034

The purpose and intent of this measure is to appropriate funds to the Kaho'olawe Island Reserve Commission for restoration and preservation projects and to require submission of a financial self-sufficiency and sustainability plan to the Legislature.

Your Committees received testimony in support of this measure from the Kaho'olawe Island Reserve Commission, Aha Moku Advisory Committee, Island Conservation, Marine and Coastal Zone Advocacy Council Ke Kahu O Na Kumu Wai, Conservation Council for Hawaii, and twenty-six 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 three individuals.

Your Committees find that the Kaho'olawe Island Reserve Commission is tasked with restoring the ecological damage on Kaho'olawe and protecting its endangered and rare flora and fauna, as well as ensuring that the people of Hawaii who visit the Kaho'olawe Island Reserve can do so meaningfully and safely. Your Committees further find that the work of the Kaho'olawe Island Reserve Commission is important to the State, and that funds provided by this measure will allow the Commission to continue effective management of the Kaho'olawe Island Reserve.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$600,000;
- (2) Changing the effective date to July 1, 2016; 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 Hawaiian Affairs and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2034, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2034, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Slom).

Water, Land, and Agriculture: Ayes, 7; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Dela Cruz, Ruderman).

SCRep. 3011 (Joint) Commerce, Consumer Protection, and Health and Human Services on H.B. No. 2252

The purpose and intent of this measure is to ensure that:

- (1) Families are supported by ensuring that all patients in an inpatient hospital have the opportunity to designate a caregiver who shall be notified prior to the discharge or transfer of the patient;
- (2) The patient and the designated caregiver are involved in the discharge planning process; and
- (3) The patient and caregiver are provided a consistent level of instructional support, both written and oral, prior to discharge to facilitate the patient's transition to the home setting regardless of which facility the patient is in.

Your Committees received testimony in support of this measure from the State Council on Developmental Disabilities; Hawaii Health Systems Corporation; Policy Advisory Board for Elder Affairs; Agency on Elderly Affairs; Hawaii Government Employees Association, Local 152; Healthcare Association of Hawaii; The Queen's Health Systems; AARP Hawaii; Project Dana; ILWU Local 142; Faith Action for Community Equity; and fifteen individuals. Your Committees received comments on this measure from two individuals.

Your Committees find that Hawaii's population of older adults continues to increase. In 2012, Hawaii had the highest percentage of residents over the age of eighty-five in the United States, and this population is projected to grow to sixty-five percent over the next twenty years. These individuals are the most likely to need long-term supports and services and will likely rely on family and friends as their caregivers due to financial and resource constraints.

Your Committees further find that while strong home- and community-based resources, such as respite, non-medical transportation services, and home-delivered meals, are important to help caregivers and their loved ones, medical supports are also important. Coordination among primary care providers along with preventive care will enable many seniors and other individuals with chronic or debilitating conditions to stay in their homes longer. However, in the event of an acute episode, hospitals must provide assistance to patients and their caregivers in order to prepare them for discharge and help them transition back to their homes.

Your Committees have amended this measure by deleting its contents and inserting the contents of Senate Bill No. 2397, S.D. 1 (Regular Session of 2016), a substantively similar measure, thereby amending this measure by:

- (1) Amending findings to emphasize Hawaii's increase of older adults in the population, the importance of hospitals assisting patients and their caregivers with transitioning back to a home setting, and the responsibilities that hospitals have related to discharge planning and transitions of care;
- (2) Clarifying that discharge policies must include a federal or nationally recognized standards; and
- (3) Changing the effective date to July 1, 2017.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2252, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2252, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).

SCRep. 3012 (Joint) Commerce, Consumer Protection, and Health and Human Services on H.B. No. 1599

The purpose and intent of this measure is to:

- (1) Require and provide funds to medical assistance programs, including Medicaid and QUEST, for chiropractic coverage of up to 24 visits in a calendar year; and
- (2) Require the Department of Human Services to submit a request to the Centers for Medicare and Medicaid Services to amend the state Medicaid plan to include chiropractic services as a benefit, allowing the State to receive federal reimbursement.

Your Committees received testimony in support of this measure from the Hawaii Association of Professional Nurses and one individual. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that there are twenty-six states that cover chiropractic care for adults, with the number of covered visits varying from four visits per year to twenty-six visits per year. In these states, coverage is limited to manual manipulation of the spine to treat subluxation of the spine demonstrated by an x-ray and is not provided for preventative or maintenance care.

Your Committees further find that if this measure passes with an appropriation, the Med-QUEST Division of the Department of Health is directed to apply for federal approval through a state plan amendment, which means that this measure should take effect no sooner than the receipt of federal approval of the state plan amendment.

Your Committees have amended this measure by:

- (1) Deleting language that would have appropriated funds to medical assistance programs, including Medicaid and QUEST, to provide coverage for chiropractic care for up to twenty-four visits in a calendar year;
- (2) Inserting language to make the effective date of this measure contingent upon approval of a state medicaid plan amendment; 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, Consumer Protection, and Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1599, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1599, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

Human Services: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).

SCRep. 3013 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on H.B. No. 1111

The purpose and intent of this measure is to authorize the Hawaii Health Systems Corporation to set rates for copies of records that are protected from disclosure requirements of the Uniform Information Practices Act and establish minimum and maximum rates for copies of medical records based on the actual cost of preparation.

Your Committees received testimony in support of this measure from the Hawaii Health Systems Corporation. Your Committees received comments on this measure from the Office of Information Practices.

Your Committees find that the copying of medical records is a labor-intensive process that involves specialized training to carefully analyze information to ensure that any product fully complies with health care privacy and confidentiality regulations. Additionally, because medical records often contain documents of varying sizes and shapes, personnel must number and handle each page individually, which requires a significant amount of time and resources. This measure assists the Hawaii Health Systems Corporation in preventing future litigation over copying costs and helps to reduce resultant financial losses.

Your Committees have amended this measure by:

- (1) Specifying that a requester of copies of records shall pay an amount no less than \$1 per page and no more than \$2 per page; 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 Commerce, Consumer Protection, and Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1111, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1111, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5; Ayes with Reservations (Slom). Noes, none. Excused, 2 (Nishihara, Ruderman).

Judiciary and Labor: Ayes, 6; Ayes with Reservations (Slom). Noes, none. Excused, 1 (Kahele).

SCRep. 3014 Economic Development, Environment, and Technology on H.B. No. 2543

The purpose and intent of this measure is to make permanent the provisions of Act 264, Session Laws of Hawaii 2013, as amended, which:

- (1) Establishes deadlines for certain actions of the State and the counties relating to broadband-related permits and facilities, and subjects weight load for utility poles to certain established capacities; and
- (2) Establishes exemptions from certain state and county requirements for actions relating to the installation, improvement, construction, or development of infrastructure relating to broadband service or broadband technology.

Your Committee 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; Chamber of Commerce Hawaii; and Oceanic Time Warner Cable.

Your Committee finds that improvement in the efficiencies of the broadband-related permitting process allows for greater private sector participation and increased competition in Hawaii's broadband sector. Increased broadband capacity is necessary for the State to enable rapid access to information, accelerate business development, connect first responders more efficiently, create telehealth opportunities for the healthcare industry, enhance educational resources, improve telecommunications and telecommuting, and enable smart grid technology.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2543, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Ihara, Keith-Agaran). Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 3015 Economic Development, Environment, and Technology on H.B. No. 2229

The purpose and intent of this measure is to create the Hawaii Sports Task Force within the Department of Business, Economic Development, and Tourism to plan and coordinate efforts to keep the Pro Bowl in Hawaii and to establish Hawaii as a host site for a National Football League preseason game, world-title soccer tournaments at Aloha Stadium, and mixed martial arts Ultimate Fighting Championship tournaments at Aloha Stadium, as well as other sporting and sports entertainment events.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Chamber of Commerce Hawaii; and three individuals. Your Committee received testimony in opposition to this measure

from two individuals. Your Committee received comments on this measure from the Hawai'i Tourism Authority, Stadium Authority, and Grassroot Institute of Hawaii.

Your Committee finds that the sports industry is a multi-billion dollar industry in the United States that generates revenue in spectator fees, advertising, endorsements, media broadcast rights, and licensing. Hawaii hosts at least ten major national and international sporting events each year, including the National Football League's Pro Bowl, Honolulu Marathon, Vans Triple Crown of Surfing, Sheraton Hawaii Bowl, Molokai Hoe, XTERRA World Championship, Ironman World Championship, Maui Jim Maui Invitational, and the PGA Sony Open. Your Committee believes that there is significant room for growth in the Hawaii sports industry and that attracting more sporting events to use Hawaii as a venue will increase visitor arrivals and expenditures.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2229, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Keith-Agaran). Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 3016 Economic Development, Environment, and Technology on H.B. No. 2160

The purpose and intent of this measure is to establish a Dark Skies Protection Advisory Committee to assist the Department of Business, Economic Development, and Tourism in developing a statewide dark night skies protection strategy.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; University of Hawai'i System; Conservation Council for Hawai'i; and three individuals. Your Committee received comments on this measure from the Land Use Research Foundation of Hawaii.

Your Committee finds that dark night skies hold important cultural, scientific, astronomical, natural, landscape, and tourism-related value. Your Committee further finds that light pollution, caused by inappropriate use of lighting at night, including over-illumination, excessive use of artificial light, use of fixtures that directs light upward causing glare and sky glow, and use of fixtures that have excessive amounts of blue light, which is scattered by the atmosphere to cause sky glow, interferes with dark night sky activities and the nighttime activities of certain animal and insect species. Your Committee also finds that nighttime illumination of state highways, harbors, airports, and other facilities is costly and consumes large amounts of energy, and that application of new lighting technologies could produce substantial energy and cost savings. This measure is an important step toward better protection of Hawaii's dark night skies.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2160, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 3017 Economic Development, Environment, and Technology on H.B. No. 2668

The purpose and intent of this measure is to appropriate funds to the High Technology Development Corporation to continue the small business innovation research program.

Your Committee received testimony in support of this measure from the High Technology Development Corporation, Hawai'i Farm Bureau, and Chamber of Commerce Hawaii.

Your Committee finds that 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 finds that expanding the scope of the grant program for Phase II and Phase III awards will allow for more companies to achieve commercialization and increase the beneficial economic impacts of this program to the State.

Your Committee has amended this measure by:

- (1) Stipulating that the appropriation is for the purpose of providing small business innovation research program grants and loans for phase II and III awards; and
- (2) Inserting an effective date of July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2668, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2668, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 3018 Economic Development, Environment, and Technology on H.B. No. 2219

The purpose and intent of this measure is to establish a commercialization loan program, known as the Hawaii impact loan program for commercialization (HI-impact), to support Hawaii-based small businesses in the fields of dual-use technologies, tourism-technology, agriculture-technology, sports-technology, finance-technology, building and construction-technology, life science-

technology, biomedical engineering-technology, aerospace-technology, and other cross-industry collaborations, excluding energy generation technology.

Your Committee received testimony in support of this measure from the High Technology Development Corporation, Chamber of Commerce Hawaii, and Oceanit. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance.

Your Committee finds that to be successful in the twenty-first century global economy, Hawaii must position itself as a leader in technology development, transfer, and commercialization. Although significant progress has been made by federal and state initiatives and programs administered by the High Technology Development Corporation, Hawaii Strategic Development Corporation, and Hawaii Technology Development Venture, more is required for Hawaii's technology industry to achieve local technology commercialization and success in the global marketplace.

Your Committee has amended this measure by:

- (1) Renaming the program as the impact loan fund of Hawaii and the special fund as the HI-impact special fund;
- (2) Replacing the term "sports-technology" with "ocean recreational-technology";
- (3) Clarifying that qualified proposals be submitted to the High Technology Development Corporation, rather than the HI-Impact administrator;
- (4) Deleting language that would have required a Hawaii-based business seeking funding to commit a fifty percent match of the loan, in cash or in-kind;
- (5) Requiring a Hawaii-based business seeking funding to:
 - (A) Secure a contract or purchase order from a customer company equal to or greater than ten per cent of the convertible debt loan;
 - (B) Submit a technical budgeted plan of work to meet the customer's needs; and
 - (C) Include a justification letter of commitment from the customer company explaining how the business case will help the company and its commitment to purchase; 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2219, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2219, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 3019 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on H.B. No. 1050

The purpose and intent of this measure is to:

- (1) Mandate the Department of Agriculture and the Hawaii Invasive Species Council to perform specified tasks to address the interisland spread of invasive species;
- (2) Require the Department of Agriculture and the Hawaii Invasive Species Council to submit annual reports to the Legislature; and
- (3) Appropriate funds for specified tasks to address the interisland spread of invasive species.

Your Committees received testimony in support of this measure from the Hawai'i Farm Bureau and one individual. Your Committees received comments on this measure from the Department of Agriculture and Department of Land and Natural Resources.

Your Committees find that the interisland spread of invasive species is harmful to agriculture, native biota, public health, and the economic well-being of the State. Your Committees further find that to more effectively mitigate the spread of invasive species, the Hawaii Invasive Species Council and the Department of Agriculture should use their strengths and resources more efficiently and focus resources on reducing invasive species in agricultural production areas and non-agricultural areas, specifically conservation lands and residential areas, and on performing inspections, certifications, and treatments, if required.

Your Committees have amended this measure by:

- (1) Deleting language that would have required that all information regarding the interisland and export database to be developed by the Department of Agriculture to be kept confidential to the Plant Quarantine Branch;
- (2) Inserting an effective date of July 1, 2016; 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, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1050, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1050, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Baker, Keith-Agaran).

Water, Land, and Agriculture: Ayes, 7. Noes, none. Excused, 2 (Dela Cruz, Shimabukuro).

SCRep. 3020 Education on S.C.R. No. 42

The purpose and intent of this measure is to encourage the Board of Education to include at least one individual who is a representative of the special education community on the Committee on Weights.

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 students with disabilities requiring special education are diverse and have a wide range of needs that are different from those of the student body as a whole. Special education teachers are often required to tailor the curriculum to the specific needs of the student. Currently, special education programs face shortages of resources and qualified teachers. Representation by the special education community on the Committee of Weights may help to resolve or mitigate these serious issues.

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. 42 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3021 Judiciary and Labor on H.B. No. 1585

The purpose and intent of this measure is to prohibit a guardian of an incapacitated adult ward from restricting the personal communication rights of the ward unless the guardian deems that personal communication rights pose a risk to the safety or well-being of the ward.

Your Committee received testimony in support of this measure from the Judiciary, Catherine Falk Organization, and two individuals.

Your Committee finds that the lives of incapacitated adult wards are enriched through personal visits, phone calls, and mail from family members and friends, and this type of personal communication is important for the physical and mental health of adult wards. However, your Committee also recognizes that some personal communication may be harmful to a ward's financial security or emotional well-being. This measure seeks to balance the rights of wards to engage and communicate with others and the duty of guardians to protect the wards' health, safety, and welfare.

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. 1585, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1585, 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, 7. Noes, none. Excused, none.

SCRep. 3022 Judiciary and Labor on H.B. No. 1651

The purpose and intent of this measure is to remove the cap on the fine for providing false information in a signed affidavit in an application for voter registration during the late registration period or at an absentee polling place to make the maximum fine consistent with the maximum fine for a class C felony.

Your Committee received testimony in support of this measure from the Office of Elections, Common Cause Hawaii, and one individual.

Your Committee finds that providing false information on a voter registration application during the late registration period or at an absentee polling place is a class C felony with a maximum penalty of \$1,000. Existing law provides that a person convicted of a class C felony may be sentenced to pay a maximum fine of \$10,000. This measure removes the cap on the monetary penalty for providing false information to be consistent with the maximum monetary penalty for a class C felony.

Your Committee has amended this measure by:

- (1) Inserting an effective date of January 1, 2018, for section 1 pursuant to section 6 of Act 166, Session Laws of Hawaii 2014; 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 H.B. No. 1651, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1651, 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, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3023 Judiciary and Labor on H.B. No. 2161

The purpose and intent of this measure is to appropriate funds to the Department of Labor and Industrial Relations for the hiring of six hearings officer positions and support staff within the Department's Disability Compensation Division and to provide the officers and staff with legal and medical training.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Department of Human Resources Development; Department of Human Resources, City and County of Honolulu; Hawaii Injured Workers Association; Chamber of Commerce Hawaii; ILWU Local 142; and one individual.

Implementation of this measure will enable the Department of Labor and Industrial Relations' Disability Compensation Division to be more efficient and effective, benefiting all stakeholders.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$355,526;
- (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 this measure moves through the legislative process, your Committee requests that your Committee on Ways and Means consider passage of this measure in conjunction with any associated line item that may be in the executive budget.

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. 2161, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2161, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 3024 (Majority) Judiciary and Labor on H.B. No. 2445

The purpose and intent of this measure is to ensure that a public employee whose position is privatized by an action of the State or a county remains eligible for continued participation in the pension benefits provided by the Employees' Retirement System.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; United Public Workers, AFSCME, Local 646, AFL-CIO; and ten individuals. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance and Employees' Retirement System's Board of Trustees. Your Committee received comments on this measure from the Department of Budget and Fiscal Services, City and County of Honolulu.

Your Committee finds that public employees who are displaced through privatization or the closure of a state or county facility may face excessive economic hardship. Displaced employees may have only a few years of creditable service toward retirement or be close to retirement but still need additional years of service. Implementation of this measure addresses the complexity of displaced employees who are at different life stages and will decrease economic hardship associated with layoffs.

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.

Your Committee heard testimony that there may be other states that have implemented similar programs to address pension benefits and public employees whose positions are privatized by an action of the State or a county. Your Committee requests that your Committee on Ways and Means further examine how other states may have addressed the issue if it considers this measure for passage.

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. 2445, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2445, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Shimabukuro).

SCRep. 3025 (Majority) Judiciary and Labor on H.B. No. 2446

The purpose and intent of this measure is to:

- (1) Authorize an employee who is affected by Act 103, Session Laws of Hawaii 2015; entitled to reduction-in force rights under chapter 76 or 89, Hawaii Revised Statutes; and receives official notification that the employee's position is being abolished or who is directly affected by a reduction-in-force or workforce restructuring plan, including privatization, to elect to receive a voluntary severance benefit; and
- (2) Authorize a vested member of the Employees' Retirement System who receives official notification that the employee's position is being abolished or who is directly affected by a reduction-in-force or workforce restructuring plan, including privatization, and is within five years of the employee's qualified retirement age on the employee's retirement date to elect to receive a special retirement benefit, notwithstanding the age and length of services requirements under chapter 88, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and eleven 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 Employees' Retirement System's Board of Trustees and two individuals.

Your Committee finds that public employees whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position, may face excessive economic hardship. Implementation of this measure will provide meaningful financial support to public employees who lose their jobs out of no fault of their own.

Your Committee notes that the companion to this measure, S.B. No. 2077, S.D. 1, which was previously passed by the Senate, is substantively similar to this measure but does not require an employee to be affected by Act 103, Session Laws of Hawaii 2015, to elect to receive a voluntary severance benefit.

Accordingly, your Committee has amended this measure by deleting its contents and replacing them with the contents of S.B. No. 2077, S.D. 1, Regular Session of 2016, a substantively similar measure, which:

- (1) Authorizes an employee who is entitled to reduction-in force rights under chapter 76 or 89, Hawaii Revised Statutes, and receives official notification that the employee's position is being abolished or who is directly affected by a reduction-in-force or workforce restructuring plan, including privatization, to elect to receive a voluntary severance benefit;
- (2) Authorizes a vested member of the Employees' Retirement System who meets certain criteria, including minimum years of service based on membership class type, and receives official notification that the employee's position is being abolished or who is directly affected by a reduction-in-force or workforce restructuring plan, including privatization, to elect to receive a special retirement benefit, notwithstanding the age and length of services requirements under chapter 88, Hawaii Revised Statutes;
- (3) Has a sunset date of July 1, 2018; and
- (4) Has an effective date of January 7, 2059, to encourage further discussion.

Your Committee further amended S.B. No. 2077, S.D. 1, by:

- (1) Reinserting the definition of "vested member";
- (2) Requiring that any employee who receives a special retirement benefit under this measure and returns to public service meets the age and service requirements in effect when the employee first entered state employment; 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. 2446, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2446, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Shimabukuro).

SCRep. 3026 Judiciary and Labor on H.B. No. 2605

The purpose and intent of this measure is to appropriate funds to establish, administer, and support on-the-job training for individuals who are dislocated due to the closure of Hawaiian Commercial & Sugar Company on Maui.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations; Department of Agriculture; Hawaii Construction Alliance; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Alexander & Baldwin, Inc.; Chamber of Commerce Hawaii; ILWU Local 142; United Public Workers, AFSCME Local 646, AFL-CIO; Hawai'i Farm Bureau; Hawaii State AFL-CIO; and Ponoheo Ranch.

Your Committee finds that the closure of Hawaiian Commercial & Sugar Company will result in the termination of about six hundred seventy workers from March to December 2016. According to the Department of Labor and Industrial Relations, available federal funds are projected to be insufficient to serve the number of workers scheduled for layoff. This measure will supplement the limited federal funds to ensure that workers can access necessary services, including on-the-job training, when they lose their jobs.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$850,000; 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 H.B. No. 2605, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2605, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Shimabukuro).

SCRep. 3027 (Majority) Judiciary and Labor on H.B. No. 2606

The purpose and intent of this measure is to establish a retirement benefit incentive for public employees, otherwise eligible to retire, whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position as a result of Act 103, Session Laws of Hawaii 2015.

Your Committee received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and numerous individuals. Your Committee received testimony in opposition to this measure from the Department of Budget and Finance and Employees' Retirement System.

Your Committee finds that public employees whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position, may face excessive economic hardship. Implementation of this measure will provide meaningful financial support to public employees who lose their jobs out of no fault of their own.

Your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 3000, S.D. 1 (Regular Session of 2016), a substantively similar measure, which:

- (1) Establishes a retirement benefit incentive for public employees, otherwise eligible to retire, whose positions are subject to layoff due to the consolidation or abolition of functions, or the privatization of the functions of the positions;
- (2) Has a sunset date of July 1, 2018; and
- (3) Has 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. 2606, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2606, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Shimabukuro).

SCRep. 3028 (Majority) Judiciary and Labor on H.B. No. 2722

The purpose and intent of this measure is to:

- (1) Create a temporary program to provide additional benefits to unemployed workers by extending their unemployment insurance benefits under certain conditions; and
- (2) Appropriate funds to the Department of Labor and Industrial Relations for the purposes of this measure.

Your Committee received testimony in support of this measure from the United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii State AFL-CIO; and ILWU Local 142. Your Committee received testimony in opposition to this measure from the Building Industry Association of Hawaii. Your Committee received comments on this measure from the Chamber of Commerce Hawaii.

Your Committee finds that public employees who are displaced through privatization or the closure of a state or county facility may face excessive economic hardship. Implementation of this measure will provide meaningful financial support to public employees who lose their jobs out of no fault of their own.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 3038, S.D. 2 (Regular Session of 2016), a substantively similar measure, which:
 - (A) Creates a temporary program, in counties with a population of less than 200,000, to provide additional benefits to unemployed individuals by extending their unemployment insurance benefits under certain conditions, including enrollment by the unemployed individual in an approved training or retraining course;
 - (B) Appropriates funds to the Department of Labor and Industrial Relations to carry out its purposes; and
 - (C) Has an effective date of July 1, 2050; 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. 2722, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2722, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Shimabukuro).

SCRep. 3029 (Joint) Human Services and Commerce, Consumer Protection, and Health on H.B. No. 2540

The purpose and intent of this measure is to encourage individuals with disabilities to gain employment and improve their employment opportunities by implementing a Medicaid buy-in program for workers with disabilities.

Your Committees received testimony in support of this measure from the Department of Human Services, State Council on Developmental Disabilities, Hawaii Disability Rights Center, and 'Ohana Health Plan.

Your Committees find that this measure recognizes the importance of employment for the self-sufficiency of individuals with disabilities. A Medicaid buy-in program would promote independence and is aligned with the State's workforce development goals. Absence of this type of program creates disincentives for people with disabilities to find employment, retain employment, or increase their income.

Your Committees note and support the Governor's request of \$293,405 in general funds and \$344,155 in federal Medicaid matching funds to implement the Ticket-To-Work program detailed in the executive supplemental budget request. These funds will allow the Department of Human Services to design and implement the program for the needs of the population with sufficient flexibility in future years to make appropriate adjustments.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2540, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 3030 Education on H.B. No. 1713

The purpose and intent of this measure is to:

- (1) Exempt certain Department of Education and public charter school employees from the State Ethics Code relating to gifts, gift reporting, and conflicts of interest when the employees are engaged in a non-publicly funded student educational trip; and
- (2) Require the Department of Education and State Public Charter School Commission to review any existing policy, procedure, or rule previously adopted for consistency and compliance within ninety days of the measure's effective date.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, HE'E Coalition, IMUAlliance, and one individual. Your Committee received testimony in opposition to this measure from the State Ethics Commission, Common Cause Hawaii, and League of Women Voters of Hawaii.

Your Committee finds that educational trips to neighbor islands, the continental United States, and international destinations expand the horizons of Hawaii's students and provide opportunities for students to engage in real life experiences that promote critical thinking and collaborative problem-solving. Such trips enhance the curriculum learned in the classroom and are a great benefit to students not only in their academic careers, but throughout their lives.

Your Committee further finds that teachers often spend months planning these trips, ensuring that these educational opportunities are aligned with classroom lessons and the Department of Education's general learner outcomes. Much of the planning is done outside of the classroom, on teachers' own time. Once on these trips, which usually occur when teachers would otherwise be on vacation, the teachers are chaperoning students twenty-four hours a day, essentially volunteering their time so that students can benefit from these educational opportunities.

Teacher travel is sometimes, but not always, subsidized by tour companies. It should be noted that tour companies usually offer subsidized trips to many others who book large groups. For many teachers, without this assistance they would not be able to afford to provide these educational opportunities to Hawaii's students. However, while this has been common practice for nearly thirty years, the Hawaii State Ethics Commission issued Advisory Opinion No. 2015-1 finding that acceptance of any free travel was a violation of the State Ethics Code. This broad application ultimately resulted in the cancellation of trips that teachers, parents, and students had planned and fundraised for months, and sometimes years, in advance. Going forward, this Advisory Opinion has the unfortunate consequence of limiting opportunities for Hawaii's students to have educational experiences that bring classroom content to life.

Your Committee believes that it is imperative that Hawaii's students continue to have these educational opportunities. Coming from an island state, Hawaii's students cannot travel with the same ease and affordability as students on the mainland. Educational trips organized by teachers may be the only opportunity some students will ever have to see the world outside of Hawaii or even outside of their own island.

Your Committee notes that the Attorney General has issued AG Op. No. 15-2, which clarifies that the Legislature determines the scope of the State Ethics Code and that while specific conduct may be exempted from the State Ethics Code, specific classes of employees may not.

As such, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2425, S.D. 2, Regular Session of 2016, which permits state government employees to engage in extracurricular service and receive detached remuneration for the performance of the extracurricular service if certain conditions are met; and
- (2) Making it effective upon its approval.

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. 1713, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1713, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3031 Education on H.B. No. 1787

The purpose and intent of this measure is to create and appropriate funds for the Erin's Law Task Force to review policies, programs, and curricula for educating public school students about sexual abuse prevention, and to make report recommendations for the establishment of a program to educate students on sexual abuse prevention through age appropriate curricula.

Your Committee received testimony in support of this measure from the Department of Education, Executive Office on Early Learning, State Public Charter School Commission, Hawaii State Teachers Association, Hawaii Children's Action Network, IMUAlliance, Hawaii Women's Coalition, Planned Parenthood Votes Northwest and Hawaii, UNITE Hawaii, Sex Abuse Treatment Center, and three individuals.

Your Committee finds that sexual abuse is a serious and ongoing threat to the safety, health, and well-being of children and young people in the State. Schools are the primary institution outside of the family in which children have constant contact with adults,

teachers, and school personnel that are uniquely situated to responsibly educate children about the prevention and reporting of sex abuse, as well as helping at-risk children.

Although sex abuse training and curricula approved by the Department of Education exists in Hawaii, it is not implemented in a consistent manner. The Erin's Law Task Force will provide much-needed guidance in preparing teachers and school personnel to educate and protect Hawaii's children. Your Committee notes that sex trafficking is a matter of serious concern for Hawaii's students, and that it should be included in the consideration of the Task Force.

Your Committee has amended this measure by:

- (1) Removing from the Task Force the member of the Senate and the member of the House of Representatives;
- (2) Adding the Chairperson of the Senate Committee on Education or the Chairperson's designee to the Task Force;
- (3) Adding the Chairperson of the House of Representatives Committee on Education or the Chairperson's designee to the Task Force;
- (4) Adding a representative of Planned Parenthood to the Task Force;
- (5) Naming the Superintendent or Superintendent's designee as the chair of the Task Force;
- (6) Adding sex trafficking prevention to the concepts under consideration by the Task Force;
- (7) Changing the expending agency for the appropriation to the Department of Education; 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 Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1787, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1787, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3032 Education on H.B. No. 2205

The purpose and intent of this measure is to, among other things:

- (1) Establish requirements for meeting minutes;
- (2) Clarify that revocation and renewal proceedings shall not be subject to chapter 91, Hawaii Revised Statutes; and
- (3) Authorize charter schools to assess fees and charges for co-curricular activities.

Your Committee received testimony in support of this measure from the State Public Charter School Commission. Your Committee received testimony in opposition to this measure from the Department of Education, Kamehameha Schools, Hawaii Public Charter School Network, Aha Punana Leo, Connections Public Charter School, Ke Kula 'O Nāwahīokalani'ōpu'u Iki Laboratory Public Charter School, Hawaii Academy of Arts and Sciences Public Charter School, and two individuals. Your Committee received comments on this measure from the Office of Information Practices and Office of Hawaiian Affairs.

Your Committee finds that incremental but important refinements to the statutory framework governing Hawaii's public charter school sector are necessary. Your Committee further finds that the Legislature did not intend the charter school law to include provisions for a contested case hearing between a school and its authorizer when Act 130 was enacted in 2012. The State Public Charter School Commission, as an authorizer of charter schools, is expected to oversee and regulate charter schools to ensure that they are providing a quality education and that they are being responsibly managed. For that reason, the Commission should have the authority to revoke or not renew contracts with charter schools who fail to meet the State's expectations on how public funds are spent.

Your Committee has amended this measure by:

- (1) Removing language exempting the Public Charter School Commission from the requirements of section 92-6, 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 Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2205, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2205, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3033 Government Operations on H.B. No. 2544

The purpose and intent of this measure is to:

- (1) Require the State Procurement Office, in conjunction with the Department of Accounting and General Services, to conduct a comprehensive analysis and review of the Hawaii Public Procurement Code;
- (2) Require the State Procurement Office to submit a report of its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018; and

- (3) Appropriate funds to the State Procurement Office for the comprehensive analysis and review.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Transportation, Chamber of Commerce Hawaii, and General Contractors Association of Hawaii. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that the Hawaii Public Procurement Code provides the foundational framework for construction contracting. It is imperative that the State's procurement process is competitive and transparent as it is a paradigm for which contractors and procuring agencies rely on to be consistent in its application. Implementation of this measure will advance the Hawaii Public Procurement Code and improve the efficiency and effectiveness of the procurement 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. 2544, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3034 Government Operations on H.B. No. 2146

The purpose and intent of this measure is to:

- (1) Require the Department of Accounting and General Services to consult with appropriate stakeholders and develop a comprehensive Wailuku state office master plan to address the shortage of space in the Wailuku state office building and old courthouse building;
- (2) Appropriate funds to the Department of Accounting and General Services for the Wailuku state office master plan; and
- (3) Appropriate funds to the Department of Accounting and General Services for the purchase of certain other properties in or near Wailuku.

Your Committee received testimony in support of this measure from the Office of the Mayor, County of Maui. Your Committee received comments on this measure from the Judiciary and Department of Accounting and General Services.

Your Committee finds that there is a shortage of state managed office space. The Department of Accounting and General Services is currently exploring solutions to add needed office space and has a three-phase program to develop a statewide master plan, which includes the Wailuku district in Maui. Implementation of 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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2146, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Dela Cruz, Tokuda).

SCRep. 3035 Government Operations on H.B. No. 2060

The purpose and intent of this measure is to:

- (1) Require chief procurement officers to assist and cooperate with the State Procurement Office Administrator regarding any compliance review; and
- (2) Clarify that the State Procurement Office Administrator has the authority to perform periodic compliance reviews of the procurement practices and procedures of all governmental bodies.

Your Committee received testimony in support of this measure from the State Procurement Office.

Your Committee finds that in July 2015, an Auditor's report highlighted an example of a procurement contract award that was renegotiated at a price that was three hundred forty-five percent higher than the original bid amount. The same contract was then amended three times and resulted in a final contract amount that was six hundred eleven percent higher than the original bid, as well as a reduction in the scope of work provided and a one-year extension of the performance deadline. Based on the Auditor's report, it is evident that it is necessary to reform the State's procurement law. Open competition, a level playing field, and transparency in the State's procurement process is vital to good government. Implementation of this measure encourages accountability and transparency by ensuring consistent compliance with the State Procurement Code.

Your Committee has amended this measure by:

- (1) Inserting the contents of S.B. No. 2545, Regular Session of 2016, which establishes a fair and reasonable pricing policy for all procurement contract actions and clarifies that contractors are required to submit and certify cost or pricing data for certain change orders and contract modifications, even if the original contract award did not require cost and pricing data;
- (2) Requiring the State Procurement Office Administrator to collaborate with the State Procurement Policy Board for any periodic compliance reviews;
- (3) Amending the purpose section to reflect its 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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2060, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2060, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3036 Government Operations on H.B. No. 2051

The purpose and intent of this measure is to appropriate funds to the Department of Accounting and General Services for the operations of the State Building Code Council.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; State Building Code Council; Hawaii State Fire Council; Building Industry Association of Hawaii; Subcontractors Association of Hawaii; American Council of Engineering Companies of Hawaii; and Land Use Research Foundation of Hawaii. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services.

Your Committee finds that the State Building Code Council has the authority to adopt, amend, or update the Hawaii state building codes, applicable to all building construction in the State. However, the Council has not received any funding since the Council's inception in 2007, and the existing state building codes are not in compliance with national standards. Implementation of this measure will provide the State Building Code Council with the funds necessary to modernize the State's building codes, safeguarding life, property, and the general welfare of the citizens of Hawaii.

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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2051, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2051, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3037 Hawaiian Affairs on H.B. No. 1932

The purpose and intent of this measure is to appropriate funds to reimburse the Department of Hawaiian Home Lands for administrative and operating costs expensed during the 2015-2016 fiscal year.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands; Aha Moku Advisory Committee; Pana'ewa Hawaiian Home Lands Community Association; Ho'omana Pono, LLC; Makaha Hawaiian Civic Club; Waimānalo Hawaiian Homes Association; Kalihi Palama Hawaiian Civic Club; Keaukaha Community Association; and fourteen 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 Department of Budget and Finance and two individuals.

Your Committee finds that the Hawaii State Constitution requires the Legislature to make sufficient sums available for the administration and operating budget of the Department of Hawaiian Home Lands. Your Committee also finds that although the Legislature provided an appropriation to the Department of Hawaiian Home Lands for fiscal year 2015-2016, the appropriation does not fully fund the administrative and operating expenses of the Department for fiscal year 2015-2016.

Your Committee notes that the Department of Hawaiian Home Lands requested an administrative and operating budget for fiscal year 2015-2016 of \$28,478,966. Thus, your Committee has amended this measure by inserting \$28,478,966 as the amount of the appropriation for fiscal year 2016-2017.

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. 1932, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1932, H.D. 2, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 3. Noes, none. Excused, 2 (English, Kim).

SCRep. 3038 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on H.B. No. 210

The purpose and intent of this measure is to appropriate funds 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 Prosecuting Attorney of the City and County of Honolulu and two individuals.

Your Committees find that a substantial and disproportionate amount of serious crime is caused by a relatively small number of multiple and repeat felony offenders. Such individuals are commonly known as career criminals. The career criminal prosecution program was established to support efforts by prosecuting attorneys to pursue such individuals, but funding for the program has declined since its inception. Your Committees find that funding the career criminal prosecution program is in the public interest. Your Committees further find that the victim witness assistance program is currently receiving funding from other sources, and further appropriation of funds to that program is unnecessary at this time.

Your Committees have amended this measure by:

- (1) Specifying an appropriation amount of \$492,125 for fiscal year 2016-2017 for the career criminal prosecution unit;

- (2) Removing the appropriation for the victim witness assistance program;
- (3) Changing the effective date to July 1, 2016; 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 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. 210, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 210, H.D. 1, S.D. 1, and be referred to your 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, 4. Noes, none. Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 3039 (Joint) Public Safety, Intergovernmental, and Military Affairs and Judiciary and Labor on H.B. No. 1404

The purpose and intent of this measure is to appropriate funds 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 Office of the Prosecuting Attorney of the County of Hawaii and two individuals.

Your Committees find that a substantial and disproportionate amount of serious crime is caused by a relatively small number of multiple and repeat felony offenders. Such individuals are commonly known as career criminals. The career criminal prosecution program was established to support efforts by prosecuting attorneys to pursue such individuals, but funding for the program has declined since its inception. Your Committees find that funding the career criminal prosecution program is in the public interest. Your Committees further find that the victim witness assistance program is currently receiving funding from other sources, and further appropriation of funds to that program is unnecessary at this time.

Your Committees have amended this measure by:

- (1) Specifying an appropriation amount of \$195,000 for fiscal year 2016-2017 for the career criminal prosecution unit;
- (2) Removing the appropriation for the victim witness assistance program;
- (3) Changing the effective date to July 1, 2016; 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 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. 1404, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1404, H.D. 1, S.D. 1, and be referred to your 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, 4. Noes, none. Excused, 3 (Gabbard, Kim, Thielen).

SCRep. 3040 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1907

The purpose and intent of this measure is to establish the Sexual Assault Kit Tracking Program, which requires:

- (1) All law enforcement agencies to submit sexual assault kits connected to a criminal investigation to an authorized laboratory for analysis subject to specified timelines and to report results of the analysis to state and federal databases, if the agency has received prior written consent from the complainant or parent or legal guardian of a minor complainant;
- (2) Each law enforcement agency that obtains a sexual assault kit in connection with a criminal investigation to annually report to the Department of the Attorney General on the number of sexual assault kits in the custody of the Honolulu Police Department; and
- (3) The police department of each county, the Department of Public Safety, and the Division of Conservation and Resources Enforcement to submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017 on their recommendations regarding the program, the number of kits collected statewide, and the progress on any backlog, and make the reports publicly available.

Your Committee received testimony in support of this measure from the Hawaii State Democratic Women's Caucus, Honolulu Police Department, Planned Parenthood Votes Northwest and Hawaii, Hawaii Women's Coalition, Sex Abuse Treatment Center, Joyful Heart Foundation, and fifteen individuals. Your Committee received comments on this measure from the Department of the Attorney General, Prosecuting Attorney of the County of Kauai, and Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that evidence collected utilizing sexual assault kits should be analyzed and recorded within a reasonable time to ensure that the evidence is available to identify and prosecute perpetrators of sexual assaults, establish or eliminate possible connections between perpetrators and other crimes, and exonerate innocent defendants who are wrongfully accused. Your Committee further finds that sexual assailants are frequently serial offenders, and that testing the backlog of untested sexual assault kits could allow prosecution of previously unidentified sexual assailants. Your Committee notes that law enforcement professionals within the State who regularly process sexual assault kits have expressed concerns in their testimony that the measure as written would present enforcement difficulties.

Your Committee has amended this measure by replacing the original language of the measure with language provided by the testimony of the Prosecuting Attorney of the City and County of Honolulu, which:

- (1) Requires all law enforcement agencies and departments charged with maintenance, storage, and preservation of sexual assault evidence collection kits to conduct an inventory of all kits being stored by the agency or department and transmit a report of the number of untested sexual assault evidence kits in each respective law enforcement agency and department's possession to the Department of the Attorney General;
- (2) Requires the Department of the Attorney General to submit a report to the President of the Senate and Speaker of the House of Representatives containing the number of untested sexual assault evidence kits being stored and various information related to those kits; and
- (3) Inserts an effective date of upon approval.

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. 1907, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1907, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Espero). Noes, none. Excused, 1 (Inouye).

SCRep. 3041 (Joint/Majority) Public Safety, Intergovernmental, and Military Affairs and Water, Land, and Agriculture on H.B. No. 2617

The purpose and intent of this measure is to:

- (1) Require the counties to petition the Land Use Commission for regional district boundary amendments needed after adopting updates to their respective general plans; and
- (2) Require the Land Use Commission, rather than the Office of Planning, to conduct five-year boundary amendment reviews.

Your Committees received testimony in support of this measure from the Office of Planning, State Land Use Commission, Department of Planning of the County of Kauai, Department of Planning of the County of Maui, County Council of the County of Maui, Business Industry Association Hawaii, Hawaii Association of REALTORS, Land Use Research Foundation of Hawaii, Chamber of Commerce Hawaii, and one individual. Your Committees received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu, Conservation Council for Hawaii, Hawaii's Thousand Friends, and nine individuals. Your Committees received comments on this measure from the Office of Hawaiian Affairs.

Your Committees find that the Land Use Commission was established to ensure proper conservation, control, and development of Hawaii's land resources. To accomplish that mission, the Land Use Commission operates within a framework of statutes and regulations. This framework is periodically reviewed and refined to clarify and streamline the Land Use Commission's procedures and allow the Commission to more efficiently and effectively manage use of the State's lands. Your Committees further find that existing law unduly limits the possible remedies to violations of conditions of use imposed by the Commission.

Your Committees have amended this measure by:

- (1) Removing language requiring the Land Use Commission to conduct five-year boundary amendment reviews;
- (2) Providing flexibility to the Land Use Commission in addressing violations of representations made to the Commission or conditions imposed by the Commission in its decisions and orders, regardless of whether there has been substantial commencement of use of the land;
- (3) Updating section 1 to reflect its amended purpose; and
- (4) Making the measure effective upon its approval.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2617, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2617, H.D. 1, S.D. 1, and be referred to your 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, Inouye).

Water, Land, and Agriculture: Ayes, 5. Noes, 1 (Slom). Excused, 3 (Dela Cruz, Ruderman, Wakai).

SCRep. 3042 Commerce, Consumer Protection, and Health on H.B. No. 1669

The purpose and intent of this measure is to:

- (1) Redefine "peer review" to include reviews done by out-of-state public accountancy licensees;
- (2) Extend deadlines for filing of peer review compliance reporting forms and for appealing certain ratings from ten days to thirty calendar days;
- (3) Allow members of the public accountancy peer review oversight committee to be reimbursed for expenses and protects members from civil liability for actions done in furtherance of the purposes of the committee; and
- (4) Define the term "Hawaii attest work".

Your Committee received testimony in support of this measure from the Board of Public Accountancy.

Your Committee finds that under existing public accountancy laws, a peer review done by a Certified Public Accountant (CPA) firm that does not hold a Hawaii permit to practice would not be acceptable to the Board of Public Accountancy as part of the peer review required for firm permit renewal. Many Hawaii CPA firms have engaged out-of-state CPA firms as peer reviewers for years. According to the Board of Public Accountancy, the development of these working relationships builds a professional rapport with out-of-state CPA firms that results in better-quality peer reviews and requiring Hawaii CPA firms to sever relationships with these out-of-state peer reviewers would adversely affect the State's CPA firms. This measure therefore redefines the term "peer review" to include peer reviews performed by out-of-state CPAs and CPA firms.

Your Committee further finds that this measure extends deadlines for the filing of peer review compliance reporting forms and the appeal of certain peer review ratings, from ten days to thirty calendar days, which is the customary and accepted time for official notification of other regulated professions and vocations in Hawaii. This measure also allows members of the public accountancy peer review oversight committee to be reimbursed for expenses and protects members from civil liability for actions done in furtherance of the purposes of the committee, which mirrors existing laws related to other advisory committees established by the Department of Commerce and Consumer Affairs, and adds a definition of "Hawaii attest work" to ensure that CPA firms that are required to undergo peer review understand the types of professional work that should be included in the scope of the peer review.

Finally, your Committee notes that the Board of Public Accountancy has received a number of inquiries from CPA firms relating to attest engagements that may be required to supplement a peer review report. An amendment to this measure clarifying this requirement is therefore necessary.

Your Committee has amended this measure by:

- (1) Clarifying that a peer reviewer is required to select one or more engagements from the list of engagements obtained from a reviewed firm;
- (2) Inserting an effective date of July 1, 2016; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1669, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1669, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Espero, Ihara, Nishihara).

SCRep. 3043 (Majority) Commerce, Consumer Protection, and Health on H.B. No. 1897

The purpose and intent of this measure is to ensure insurance coverage for sexually transmitted disease screenings, including screenings for human immunodeficiency virus and acquired immunodeficiency syndrome.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; Planned Parenthood Votes Northwest and Hawaii; Hawaii Medical Service Association; Kaiser Permanente Hawaii; American Congress of Obstetricians and Gynecologists, Hawaii Section; LGBT Caucus of the Democratic Party of Hawaii; Hawaii Public Health Association; and two individuals. Your Committee received comments on this measure from the Department of the Attorney General, Department of Commerce and Consumer Affairs, Department of Health, and Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees.

Your Committee finds that research has shown that preventive health services can save lives and improve health by identifying illnesses earlier, managing illnesses more effectively, and treating illnesses before they develop into more complicated, debilitating conditions. Furthermore, under the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act), private health plans are required to cover a range of preventive services without any patient cost sharing.

Your Committee further finds that despite the benefits of preventive health services, testing rates for sexually transmitted diseases remain troublingly low. One of the obstacles to testing for sexually transmitted diseases is the cost. Although many health insurance plans in Hawaii cover sexually transmitted disease screenings, this measure removes any possible gaps in covered health screening services that may exist in grandfathered health insurance plans not currently subject to the Affordable Care Act. Ensuring that all health insurers in the State, including health benefits plans under the Hawaii Employer-Union Health Benefits Trust Fund, offer insurance coverage for sexually transmitted disease screenings will increase diagnosis and treatment of sexually transmitted diseases in Hawaii and potentially lead to a higher rate of self-initiated testing.

Finally, your Committee notes that after a discussion with the Department of the Attorney General, a clarifying amendment to this measure, which provides an exemption to an Auditor's report associated with new mandates for health insurance coverage, is necessary. Your Committee notes that since most health insurance plans in the State already provide insurance coverage for sexually transmitted disease screenings, an Auditor's report is unnecessary.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that this measure shall be exempt from the requirement under section 23-51, Hawaii Revised Statutes;
- (2) Specifying that the insurance coverage for annual screenings of sexually transmitted diseases required by this measure applies to all insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1897, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1897, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, 2 (Ihara, Nishihara).

SCRep. 3044 Judiciary and Labor on H.B. No. 1668

The purpose and intent of this measure is to authorize the court to use a facility dog in a judicial proceeding if the court determines that there is a compelling necessity to facilitate the testimony of a vulnerable witness.

Your Committee 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 Hawai'i; Office of the Prosecuting Attorney, County of Kaua'i; Hawaii Youth Services Network; Hawaiian Humane Society; Humane Society of the United States – Hawaii; and The Children's Alliance. Your Committee received testimony in opposition to this measure from the Office of the Public Defender.

Your Committee finds that testifying in court can be an unsettling and sometimes terrifying ordeal and the presence of a well-trained dog can aid in witness testimony by providing the witness with emotional support and comfort in the witness room and courtroom. The Department of the Prosecuting Attorney of the City and County of Honolulu testified that since 2011, the Department's facility dog, Pono, has assisted children and other traumatized crime victims during interviews, in witness waiting rooms, and occasionally in courtrooms. Although Pono has been allowed to be present and accompany children during actual court proceedings, there are no clear and specific criteria for permitting the use of facility dogs in Hawai'i's courtrooms. This measure provides authorization and procedures for the use of facility dogs to facilitate the testimony of a vulnerable witness.

Your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Prosecuting Attorney of the City and County of Honolulu that amends the definition of "facility dog" by using generic terminology to refer to the accreditation organization from which the dog must be a graduate; 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 H.B. No. 1668, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1668, 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. 3045 Judiciary and Labor on H.B. No. 1046

The purpose and intent of this measure is to provide a procedure for persons who are actually innocent of crimes for which they were convicted and imprisoned to seek compensation from the State.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Community Alliance on Prisons, American Civil Liberties Union of Hawai'i, The CHOW Project, Innocence Project, and seven individuals.

Your Committee finds that the language in this measure is substantially similar to the draft legislation proposed by the Hawaii Chapter of the American Judicature Society special committee on redress for unlawful imprisonment. The special committee reviewed statutes from other states on issues such as the eligibility for compensation, evidence of innocence, evidence of a claim, burdens of proof, decision making entities, exclusions, amounts of compensation, types of eligible benefits, attorney's fees, and tax implications. This measure balances the interests of an allegedly wrongfully imprisoned petitioner with the State's limited resources.

Your Committee has amended this measure by:

- (1) Inserting specific amounts for the amount the court is required to award a successful petitioner for each year of actual confinement, the maximum amount awarded to a petitioner in additional compensation for extraordinary circumstances, and the maximum amount in reasonable attorneys' fees;
- (2) Changing the effective date from July 1, 2030, to upon approval; 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. 1046, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1046, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3046 Judiciary and Labor on H.B. No. 1654

The purpose and intent of this measure is to:

- (1) Authorize a permanent absentee voter to request and receive a ballot at an alternate address for elections within an election cycle such that the request does not cancel the voter's permanent absentee status or change the voter's permanent absentee mailing address;

- (2) Clarify that certain conditions that normally lead to a termination of permanent absentee voter status do not apply if the voter resides in an absentee ballot only area;
- (3) Replace references to facsimile ballots with references to electronic ballots; and
- (4) Authorize a voter to receive a permanent absentee ballot by electronic transmission if the voter has not received the ballot within five days of an election, requires a replacement ballot within five days of an election, or would otherwise not be able to return a properly issued ballot by the close of polls.

Your Committee received testimony in support of this measure from the Office of Elections; Office of the County Clerk, County of Kaua'i; Office of the County Clerk, County of Maui; League of Women Voters of Hawaii; and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that as the number of permanent absentee mail voters rises, so does the potential need to send a ballot to an alternate address or replace a voter's ballot for various reasons including but not limited to spoilage and postal non-delivery. While voters who are covered under the Uniform Military and Overseas Voters Act may receive a replacement ballot by facsimile transmission or electronic mail delivery, all other absentee mail voters are limited to receiving a replacement ballot by postal mail. Authorizing voters to receive a permanent absentee ballot by electronic transmission, under certain conditions, will benefit voters who, due to a variety of circumstances, are unable to receive and return a ballot by mail by the closing of polls. Implementation of this measure provides a practical and expeditious means for absentee mail voters to cast a ballot and is consistent with efforts to maximize voter participation.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2117, S.D. 1 (Regular Session of 2016), a substantially similar measure, which amends this measure by making technical amendments and inserting an effective date of upon approval; and
- (2) Clarifying that the authorization for a voter to receive an absentee ballot by electronic transmission if the voter does not receive the replacement ballot within five days of an election applies to all types of absentee ballots, including permanent absentee ballots.

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. 1654, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1654, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3047 (Majority) Judiciary and Labor on H.B. No. 2009

The purpose and intent of this measure is to:

- (1) Repeal the hoisting machine operators' certification revolving fund and the position of the executive director for the Hoisting Machine Operators Advisory Board;
- (2) Require the Department of Labor and Industrial Relations to provide administrative support and staff for the Hoisting Machine Operators Advisory Board; and
- (3) Authorize the Hoisting Machine Operators Advisory Board to establish fees for the issuance of permits or certificates by administrative rule.

Your Committee received testimony in support of this measure from the Hawai'i Construction Alliance. Your Committee received testimony in opposition to this measure from the General Contractors Association of Hawaii and Hoisting Machine Operators Advisory Board. Your Committee received comments on this measure from the Department of Labor and Industrial Relations.

Your Committee finds that the Hoisting Machine Operators Advisory Board oversees, investigates, and certifies mobile and crane operators in the State to ensure the safety of operators and the public. Implementation of this measure will continue to safeguard mobile and crane operators and the public, while ensuring that the current Hoisting Machine Operators Advisory Board is adequately addressing all pertinent issues.

Your Committee has amended this measure by deleting its contents and inserting language to require the Hoisting Machine Operators Advisory Board to submit a comprehensive report to the Legislature that pertains to hoisting machine operators and federal Occupational Safety and Health Administration rules and regulations, administration of certification of hoisting machine operators in other states, existing fee structure for hoisting machine operator certification in Hawaii, and recommended changes to certification procedures.

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. 2009, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2009, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5; Ayes with Reservations (Kim, Shimabukuro). Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 3048 Judiciary and Labor on H.B. No. 2121

The purpose and intent of this measure is to appropriate funds for the Judiciary to purchase civil legal services for low- and moderate-income persons.

Your Committee received testimony in support of this measure from the Judiciary, Hawai'i Access to Justice Commission, Domestic Violence Action Center, Hawaii Disability Rights Center, Legal Aid Society of Hawai'i, Volunteer Legal Services of Hawai'i, and seven individuals.

Your Committee finds that civil legal services are critical because these services assist in providing solutions to help families in crisis find stability and hope. Pursuant to S.R. No. 6, S.D. 1 (Regular Session of 2015), the Hawai'i Access to Justice Commission convened a working group of state and community entities to determine and report which agency or organization should administer funding of civil legal services to low- and moderate income persons. This measure reflects the recommendations of the working group, and the appropriation will restore funding for civil legal services for low- and moderate income persons to pre-recession levels through contracts administered by the Judiciary.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$2,159,632, to reinstate the amount requested under H.B. No. 2121 (Regular Session of 2016) as introduced; 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 H.B. No. 2121, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2121, H.D. 3, S.D. 1, and be referred to your 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, Kim).

SCRep. 3049 (Majority Judiciary and Labor on H.B. No. 2279)

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 finds that this measure requests a total of \$4,647,122.20 in appropriations from the general fund to satisfy ten claims against the State and a total of \$700,000 in appropriations from the state highway fund to satisfy two claims against the State. The grand total for the twelve claims settled in this measure as received by your Committee is \$5,347,122.20. 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 the Department of the Attorney General, which requests the addition of five new claims that have been resolved since this measure was introduced. These five additions require a total of \$5,273,598.58 in appropriations from the general fund.

Your Committee has amended this measure by:

- (1) Adding general fund appropriations for five claims totaling \$5,273,598.58, as requested by the Department of the Attorney General, which increases the grand total amount of appropriations in this measure to \$10,620,720.78 in order to satisfy a total of seventeen claims against the State, its officers, or its employees; 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. 2279, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2279, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Thielen). Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 3050 Judiciary and Labor on H.B. No. 2353

The purpose and intent of this measure is to:

- (1) Reestablish one additional deputy position in the Department of Human Services and exempt the position from civil service requirements; and
- (2) Establish a one-year civil service exemption for various positions in the Department of Human Services; Department of Public Safety; Department of Health; Department of Labor and Industrial Relations; and 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; Department of Health; Department of Public Safety; Department of Human Services; and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and four individuals. Your Committee received comments on this measure from the Department of Human Resources Development.

Your Committee finds that providing certain positions with statutory exemptions from civil service requirements may improve the recruitment of qualified individuals. Implementation of this measure will provide flexibility in the hiring process and may assist in the retention of highly qualified professionals.

Your Committee has amended this measure by:

- (1) Establishing a three-year, rather than one-year, civil service exemption for various positions in the Department of Human Services; Department of Public Safety; Department of Health; Department of Labor and Industrial Relations; and Department of Business, Economic Development, and Tourism; 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. 2353, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2353, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Kahele). Noes, none. Excused, 2 (Gabbard, Thielen).

SCRep. 3051 (Joint) Judiciary and Labor and Commerce, Consumer Protection, and Health on H.B. No. 2363

The purpose and intent of this measure is to:

- (1) Exclude sole proprietors, individual partners of a partnership, partners of a limited liability partnership with a transferable interest of at least fifty percent, individual members of a limited liability company with a distributional interest of at least fifty percent, or individuals owning at least fifty percent of a corporation from providing temporary disability insurance coverage for services they provide for themselves;
- (2) Authorize the Director of Labor and Industrial Relations to receive electronic copies of injury and other reports; and
- (3) Amend the penalty to an unspecified amount for:
 - (A) Employers who do not provide temporary disability insurance coverage for employees, fail to make correct or timely benefit payments or terminate benefits absent approval or statutory cause, fail to file medical reports or provide copies of requested medical reports, fail to provide workers' compensation coverage, and unlawfully deduct premium payments from employee wages; and
 - (B) Physicians who fail to timely submit workers' compensation injury and treatment forms.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawai'i Construction Alliance, Pacific Resource Partnership, and ILWU Local 142.

Your Committees find that employers do not always provide workers' compensation or temporary disability insurance coverage due to the misclassification of employees as independent contractors. The existing penalties for noncompliance with the State's workers' compensation law have not been amended since 1988 and are ineffective in encouraging compliance. Implementation of this measure will facilitate the resolution of workers' compensation cases, expedite medical and indemnity benefits for injured employees, and provide better assurance that employers and stakeholders in the workers' compensation and temporary disability insurance industries comply with the law.

Your Committees have amended this measure by:

- (1) Increasing the maximum penalty for employers or insurance carriers who fail to make correct or timely benefit payments or terminate such benefits without approval or statutory cause from \$2,500 to \$5,000;
- (2) Increasing the maximum penalty for physicians who fail to file workers' compensation medical reports from \$250 to \$500;
- (3) Increasing the maximum penalty for employers who fail to furnish medical reports or allow inspection and copying of requested medical depositions from \$1,000 to \$5,000;
- (4) Increasing the penalty for employers who fail to provide workers' compensation coverage for employees from the greater of at least \$250 or \$10 per employee per day of failure, to the greater of at least \$500 or \$100 per employee per day of failure;
- (5) Increasing the maximum penalty for employers who deduct premium payments from an employee's wages from \$2,500 to \$5,000;
- (6) Increasing the penalty for employers who fail to provide temporary disability insurance coverage for employees from the greater of at least \$25 or \$1 per employee per day of failure, to the greater of at least \$500 or \$100 per employee per day of failure; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2363, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2363, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 6. Noes, none. Excused, 1 (Kahele).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Ruderman).

SCRep. 3052 Judiciary and Labor on H.B. No. 2472

The purpose and intent of this measure is to appropriate funds to the Department of Labor and Industrial Relations for the hiring of five labor law enforcement specialists and related expenses.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawai'i Construction Alliance, Hawaii State AFL-CIO, and Pacific Resource Partnership. Your Committee received comments on this measure from the General Contractors Association of Hawaii.

Your Committee finds that the Department of Labor and Industrial Relations' Wage Standards Division has a backlog of complaints. Without additional staff and resources, the Wage Standards Division will be unable to meet the Division's statutory responsibilities or reduce the Division's backlog of wage complaints. Implementation of this measure will enable the Wage Standards Division to be more efficient and effective in its work to protect employees' wages.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$249,864; 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. 2472, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2472, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3053 Judiciary and Labor on H.B. No. 2715

The purpose and intent of this measure is to:

- (1) Require the Department of Labor and Industrial Relations to contract with an actuarial firm that has experience conducting workers' compensation closed claims studies in the United States to perform a comprehensive study of workers' compensation in the State to determine whether the system and laws are equitable to all parties; provided that the total cost of the study is not to exceed \$400,000;
- (2) Require the study to be submitted to the Legislature; and
- (3) Appropriate funds to the Department of Labor and Industrial Relations to contract with an actuarial firm to produce the study; provided that no monies shall be released unless matched dollar-for-dollar by the fees assessed pursuant to this measure.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawaii Insurers Council, and Chamber of Commerce Hawaii. Your Committee received comments on this measure from Automated HealthCare Solutions.

Your Committee finds that legislation is introduced every year alleging unfair treatment of injured workers and delayed processing of workers' compensation claims. Implementation of this measure will help increase employee health and safety in the workplace and encourage timely and appropriate services for employees injured on the job in a supportive and non-confrontational environment.

Your Committee has amended this measure by:

- (1) Limiting the scope of the study to closed claims in the State's workers' compensation system, at the request of the Department of Labor and Industrial Relations;
- (2) Deleting all references to "comprehensive";
- (3) Deleting language requiring the actuarial firm to perform a study of the State's laws and systems regarding workers' compensation and report on whether the State's workers' compensation laws and systems are equitable to all parties and whether specific statutory or systemic changes are warranted;
- (4) Clarifying that a portion of the total cost of the study, equal to the amount appropriated, be paid for by an assessment to the workers' compensation insurers, workers' compensation captive insurers, and workers' compensation self-insureds in the State, rather than limiting the total cost of the study to \$400,000;
- (5) Requiring the study to be completed by November 30, 2017, and submitted to the Legislature no later than twenty days prior to the convening of the Regular Session of 2018;
- (6) Amending section 1 to reflect its amended purpose; 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 H.B. No. 2715, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2715, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3054 (Majority) Judiciary and Labor on H.B. No. 1683

The purpose and intent of this measure is to authorize employees to use family leave pursuant to the state family leave law to care for an employee's sibling with a serious health condition.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawaii State AFL-CIO, ILWU Local 142, and one individual. Your Committee received testimony in opposition to this measure from the Chamber

of Commerce Hawaii; Society for Human Resource Management, Hawaii Chapter; ABC Stores; and Hawaii Food Industry Association.

Your Committee finds that under the State's existing family leave law, an employee is not authorized to use family leave to care for the employee's sibling with a serious health condition. However, when a person is diagnosed with a serious health condition, the person may need to rely on a family member, including a sibling, for care and emotional support. Implementation of this measure exemplifies the State's broad concept of family by providing accessible caregiver support for more individuals.

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. 1683, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Kim).

SCRep. 3055 Commerce, Consumer Protection, and Health on H.B. No. 1851

The purpose and intent of this measure is to:

- (1) Allow a commissioner to attend by teleconference or videoconference a public hearing of the Public Utilities Commission in certain circumstances; and
- (2) Require at least one of the three members of the Public Utilities Commission to be a resident of a county other than the City and County of Honolulu and receive per diem compensation.

Your Committee received testimony in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs and one individual. Your Committee received comments on this measure from the Public Utilities Commission and Hawaii Energy Policy Forum.

Your Committee finds that the Public Utilities Commission (Commission) is responsible for protecting the interests of consumers and regulated utilities throughout the State. This measure provides the Commission with additional options for attendance at its public hearings through the use of teleconference or videoconference technology by Public Utilities Commissioners. However, according to testimony by the Public Utilities Commission, there are certain hearings, such as contested case hearings, where all three commissioners should be physically present.

Your Committee notes that the companion to this measure, S.B. No. 2776, S.D. 1 (Regular Session of 2016), which was previously passed by the Senate, is a substantially similar measure that also provides the Commission with additional options for attendance at its public hearings in certain circumstances, except for contested case hearings. Your Committee concludes that the language in S.B. No. 2776, S.D. 1, is preferable because it excludes the use of teleconference and videoconference technology at contested case hearings.

Your Committee further finds that the decisions of the Commission, especially in the area of energy regulation, will have a profound effect on Hawaii for many years. It is therefore essential to have the most qualified individuals serve as Public Utilities Commissioners. Although this measure proposes to require at least one of the three commissioners to reside on a neighbor island, your Committee has heard the concerns that this requirement may have unintended consequences, including eliminating from consideration a highly qualified individual who would otherwise be best suited for appointment to the Commission.

Your Committee notes that S.B. No. 2776, S.D. 1, enables a person's island of residence to be used as a criterion when determining the person's qualification to serve as a commissioner, rather than requiring at least one of the three members of the Commission to be a resident of a county other than the City and County of Honolulu. Your Committee concludes that the language in S.B. No. 2776, S.D. 1, is preferable because it preserves the Governor's wide discretion when selecting qualified candidates for appointment as commissioners.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2776, S.D. 1, a substantially similar measure, which:
 - (A) Allows a commissioner to attend by teleconference or videoconference a public hearing of the Commission, except for a contested case hearing, including allowing a commissioner who resides on an island other than Oahu to attend a public hearing of the Commission held on Oahu and a commissioner residing on the island of Oahu to attend a public hearing of the commission held on an island other than Oahu, by teleconference or videoconference;
 - (B) Enables a member of the Commission who is a resident of a county other than the City and County of Honolulu to receive per diem compensation; and
 - (C) Enables a person's island of residence to be used as a criterion when determining the person's qualification to serve as a commissioner;
- (2) Inserting an effective date of July 1, 2016; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1851, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1851, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3056 Commerce, Consumer Protection, and Health on H.B. No. 1757

The purpose and intent of this measure is to authorize a pharmacy to provide a customized patient medication package to any patient of an institutional facility or any member of the general public, subject to certain conditions.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities. Your Committee received testimony in opposition to this measure from the Department of Health.

Your Committee finds that the administration of medication can be a complicated process, especially when it involves multiple solid oral dosage forms. Currently, only individuals residing in an institution may receive medications that are in customized packaging for a single dose, which decreases the chance of an unintentional medication overdose. By allowing a pharmacist to prepare customized patient medication packaging that contains one or more prescribed solid oral dosage forms for a specific patient, individuals with a developmental disability who require personal assistance in taking their medication will be able to take their medication independently with less risk of over dosage.

Your Committee notes that the Department of Health and the State Council on Developmental Disabilities will continue to work on this issue to ensure that patients are able to receive the proper medication in a safe and timely manner.

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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1757, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1757, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Nishihara).

SCRep. 3057 Water, Land, and Agriculture on H.B. No. 2042

The purpose and intent of this measure is to create a refundable residential water conservation system cost tax credit for newly constructed systems beginning January 1, 2017.

Your Committee received testimony in support of this measure from the Hawai'i Community Foundation, Surfrider Foundation, Hawai'i Fresh Water Initiative, and two individuals. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that one of the key strategies to achieve the State's natural resource management goal of increased freshwater security under the Aloha+ Challenge is to increase water conservation. Several states facing water supply issues have successfully promoted the adoption of water saving devices through the use of incentives. An incentive program in Hawaii will encourage a greater number of residents to actively take part in this important sustainability goal. Your Committee notes the Hawaii Fresh Water Initiative's testimony and finds that this measure can be improved by amending it to implement a rebate program instead of a tax credit.

Your Committee has amended this measure by:

- (1) Replacing the residential water conservation system cost tax credit with a water conservation rebate program to be administered by the Commission on Water Resource Management in partnership with public water system providers;
- (2) Allowing rebates to be issued for rain barrels and cisterns, hot water circulation pumps, low-flow pre-rinse spray nozzles, soil moisture sensors as a component of an automatic irrigation system, air conditioning condensate capture, multi-unit water sub-meters, high efficiency toilets utilizing 1.28 gallons or less per flush, and other devices and apparatus as determined by the Commission;
- (3) Capping the total amount of rebates granted through the program at \$2,000,000 per calendar year;
- (4) Capping the rebate at fifty percent of the cost of a newly constructed water conservation system and \$1,000 per year per residential household and \$5,000 per year per commercial entity;
- (5) Requiring the Commission on Water Resource Management to review the rebate program and determine the amount of non-state funds obtained as matching funds, determine the amount of water saved due to the rebate program, and recommend whether to extend the rebate program, and report its findings and recommendations to the Legislature;
- (6) Inserting an effective date of July 1, 2016; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2042, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2042, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 1 (Wakai).

SCRep. 3058 (Majority) Water, Land, and Agriculture on H.B. No. 2501

The purpose and intent of this measure is to allow for a holdover disposition of water rights previously authorized pursuant to a lease during the pendency of an application for a lease renewal even if the application's determination exceeds one year.

Your Committee received testimony in support of this measure from the Department of Agriculture; Ka'u Agricultural Water Cooperative District; Hawaii Crop Improvement Association; Pacific Resource Partnership; Hawai'i Farm Bureau; Hawaii Cattlemen's Council, Inc.; Chamber of Commerce Hawaii; REALTORS Association of Maui, Inc.; Kauai Island Utility Cooperative; Land Use Research Foundation of Hawaii; Moloaa Irrigation Cooperative; Hawai'i Association of REALTORS; Larry Jefts Farms, LLC; Monsanto; International Longshore Workers Union Local 142; Hawaii Farmers and Ranchers United; Building Industry Association-Hawaii; Maui County Hawaii Farm Bureau; Hawaii Aquaculture & Aquaponics Association; Alexander & Baldwin, Inc.; Ponoholo Ranch Limited; Pukalani Plant Company, Inc.; Kuahiwi Contractors, Inc.; Kuahiwi Ranch; Island Planning; McCandless Ranch; Farias Cattle Company; Syngenta Hawaii, LLC; DuPont Pioneer; PRL English, LLC; and sixty-three individuals. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs; Aha Moku Advisory Committee; Ethnic Studies Department of the University of Hawaii at Manoa; Hawai'i Center for Food Safety; Aina O Kumaka Loko I'a-Hana; Kona Ohana Poi Ohana; Hawai'i Farmers Union United-Haleakala Chapter; Conservation Council for Hawai'i; Sovereign Councils of the Hawaiian Homeland Assembly; Plant a Wish; Earthjustice; Aha Moku o Wailuku; Kekiwi Ohana; Hawaii's Thousand Friends; Maui Farmers Union United; Maui Nui Marine Resource Council; Na'aikane o Maui, Inc.; Kalihi Palama Hawaiian Civic Club; Halau Palaihiwa O Kaipuwai; Green Party of Hawai'i; Hawai'i Wildlife Fund; Earth Corps; 'Ai Pohaku; Rainbow Ridge West, LLC; Hawaii Farmers Union United-Maui; Friends of Lana'i; Sierra Club of Hawaii; KAHEA: the Hawaiian Environmental Alliance; Native Hawaiian Legal Corporation; Maui Tomorrow; Babes Against Biotech; Farmers Voice Hawaii; Haiku Aina Permaculture Initiative; Life of the Land; Americans for Democratic Action; George Cypher Ohana; Waianae Coast Community Foundation; He Kanaka Maoli Au; Poe oka aina; Nation of Hawaii; Kaakaua Alii Sir Kalani Tassill KCK of the Royal Order of Kamehameha-Kahakili Chapter-Moku o Maui; Kalei Papahi O Kakuhihewa; Haiku Community; Ka Lahui Hawaii; The John Munn Kahikina Kelekona; Onipaa Na Hui Kalo; Lionsgate; Lanalani Farm; Kawaiipapa Nursery; We Are One, Inc.; Kihei Ice, Inc.; Clifton M Hasegawa & Associates LLC; Kau Specialty LLC; Kipahulu Ohana Incorporated; and four hundred fifty-eight individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources, Department of Hawaiian Home Lands, and one individual.

Your Committee finds that although it is in the interest of all for Hawaii to be self-reliant, achieving a sustainable community where food is grown locally and sustainably and water is clean and well managed is very challenging as economic and environmental changes continue to occur in the State. Your Committee has weighed all the facts surrounding this measure, and finds that the concerns raised by the Maui taro farmers, Native Hawaiians, and environmentalists are very real and need to be incorporated into a final solution regarding water rights on Maui, while at the same time, the Judge's decision in *Carmichael, et al. v. Board of Land and Natural Resources* (Civ. No. 15-1-0650-04), has created a very serious situation for agriculture in the State and brought into question the validity of water and land revocable permits.

Your Committee finds that this measure's sunset date may only apply to the authority of the Board of Land and Natural Resources (Board) to issue holdover permits, and not necessarily the permits themselves, which may lead to an interpretation that any holdover permit issued by the Board could continue indefinitely. Your Committee finds it necessary to clarify that the legislative intent of this measure is to provide the Board a finite time period during which it must follow the existing statutory requirements for issuing long-term leases for disposition of water rights, where appropriate. It is not the intent of your Committee to create a new category of permits for an indefinite period of time.

Your Committee further finds that while the Board may traditionally defer to the Commission on Water Resource Management to determine the volume of water a permittee or lessee may withdraw from a stream, the Board has the authority to make an independent decision, in the absence of a Commission decision, when issuing a disposition of water rights by lease. The Board may adopt lease language that would automatically amend the lease and incorporate a final Commission decision, once one is issued. Your Committee insists that the Board incorporate the public trust doctrine and applicable laws into any determination as to the amount of water rights that may be awarded to an applicant on a holdover basis annually. Your Committee specifically notes the prohibition against the issuance of any disposition of water rights that supports waste, and that in some circumstances, previously authorized dispositions of water may need to be reduced due to changed circumstances.

Accordingly, your Committee has amended this measure by:

- (1) Requiring that a holdover permit be issued on an annual basis;
- (2) Requiring that a holdover permit expire when the Board's disposition of water rights is finally resolved or in three years, whichever is sooner;
- (3) Requiring that the holdover be consistent with the public trust doctrine and any applicable law;
- (4) Inserting a blank appropriation to the Department of Land and Natural Resources to expedite pending applications for the disposition of water rights, to take effect on July 1, 2016;
- (5) Inserting a repeal date of July 1, 2019; 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 Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2501, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2501, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Nishihara, Thielen, Wakai, Slom). Noes, 3 (Riviere, Ruderman, Shimabukuro). Excused, none.

SCRep. 3059 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1747

The purpose and intent of this measure is to authorize a police officer citing or arresting a driver, who is operating a vehicle under the influence of an intoxicant or who is under the age of twenty-one while operating a vehicle after consuming a measurable amount of alcohol, to have the motor vehicle towed.

Your Committees received testimony in support of this measure from one individual. Your Committees received testimony in opposition to this measure from the Department of Transportation and Honolulu Police Department.

Your Committees find that allowing police officers to tow and impound a motor vehicle if the operator of that motor vehicle is arrested or cited for certain serious traffic offenses may act as a deterrent to these types of activities and make Hawaii's roadways safer. Traffic safety is a serious issue. Numerous drivers are cited each year for operating a vehicle without a license, operating a vehicle with a suspended or revoked license, and operating a vehicle under the influence of an intoxicant, to name a few. Unfortunately, many of these drivers continue to operate their motor vehicles immediately after receiving these citations.

Your Committees have amended this measure by:

- (1) Reverting back to H.B. No. 1747, which expands the types of offenses for which a police officer may cause a vehicle to be towed, on the recommendation of the Honolulu Police Department;
- (2) Inserting an effective date of July 1, 2030 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 Energy 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. 1747, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1747, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 3060 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2049

The purpose and intent of this measure is to provide a means to resolve jurisdictional questions regarding road ownership by providing that:

- (1) In every case where the highway, road, alley, street, way, lane, bikeway, bridge, or county trail is constructed and completed as required by any ordinance of the county or any rule, regulation, or resolution, the legislative body of the county shall accept the dedication of the same without exercise of discretion; and
- (2) If a privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail is deemed to have been condemned by the State or county, the State or county shall be exempt from any state laws or rules that would require the State or county to perform construction, reconstruction, preservation, resurfacing, restoration, or rehabilitation.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawai'i Association of REALTORS, Bank of Hawaii, and Chamber of Commerce Hawaii. Your Committees received testimony in opposition to this measure from the Department of Transportation and Department of Public Works for the County of Hawaii.

Your Committees find that while federal, state, and county agencies maintain jurisdiction over, and are responsible for, the repair and maintenance of the majority of roads throughout Hawaii, there are numerous roads throughout the State that are privately owned. A number of these roads are termed remnant roads, or roads that abut or are sandwiched between sections of county-owned roads that should have been dedicated to the county by developers but were not for unknown reasons. Over the decades, the roads have remained open to the public with unrestricted access, including access for cars, buses, and refuse trucks.

Your Committees further find that questions still remain as to who is responsible for the repair and maintenance of such roads. This has been an ongoing challenge for the State and the counties, as well as neighboring residents and landowners. This measure will provide a process for the State or a county to obtain ownership over the road by use of the State's condemnation process and not require the government entity to improve the road to today's standards.

Your Committees have amended this measure by:

- (1) Clarifying that if a privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail complied with construction codes at the time of construction, then upon transfer of that privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail to a county, the county which accepts the transfer shall not be required to do any construction, renovation, or repair to bring the privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail up to any construction code existing at the time of transfer;
- (2) Creating a commission on remnant private roads to identify all roads by street address and tax map key number located in the State and in each county that are deemed to be remnant private roads, and to assign, in the discretion of the commission, ownership to identified remnant private roads to the State or county;
- (3) Inserting an effective date of July 1, 2030, 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 Transportation and Energy 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. 2049, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2049, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 3061 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1753

The purpose and intent of this measure is to:

- (1) Require the Director of Finance to issue moped number plates upon payment of the initial moped and bicycle registration fee;
- (2) Provide penalties for the fraudulent use of moped number plates;
- (3) Require all mopeds to be registered annually and be subject to a registration fee of \$50 to be paid to the Director of Finance;
- (4) Prohibit the use on public roadways of a moped that is not in good working order;
- (5) Deem the registered owner or operator of a moped to be responsible for the failure to equip the moped as required by law; and
- (6) Authorize a police officer at any time when the police officer has reasonable cause to believe that a vehicle or moped is unsafe or not equipped as required by law, to require the owner or driver of the vehicle or moped to submit the vehicle or moped to an inspection or make the necessary corrections or repairs.

Your Committees received testimony in support of this measure from the Moped Noise Mitigation Working Group, Pearl City Neighborhood Board, Kailua Neighborhood Board, Mililani/Waipio/Melemanu Neighborhood Board No. 25, Diamond Head/Kapahulu/St. Louis Heights Neighborhood Board No. 5, and eleven individuals. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the Department of Transportation.

Your Committees find that mopeds provide a cheaper alternative mode of transportation to driving a motor vehicle, and moped use continues to grow in popularity. According to the City and County of Honolulu, the number of registered mopeds in Honolulu increased every year between 2006 and 2012. With the increase in the use of mopeds, traffic safety concerns grow regarding these types of vehicles. Your Committees further find that public safety on Hawaii's roadways is paramount and that requiring safety inspections for mopeds increases roadway safety. Your Committees also find that the annual registration of mopeds would help to determine if mopeds are being inspected on an annual basis and would increase the safety of Hawaii's roadways.

Your Committees have amended this measure by:

- (1) Deleting its contents and inserting S.B. No. 2736, S.D.1, a substantially similar measure that requires an annual registration fee, inspections, and number plates for mopeds, and requires all persons driving a moped to wear a safety helmet securely fastened with a chin strap;
- (2) Inserting an effective date of July 1, 2030, 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 Transportation and Energy 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. 1753, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1753, H.D. 3, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kidani, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 3062 (Joint) Housing and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2293

The purpose and intent of this measure is to enable the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with state and county departments and agencies.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Office of Planning; Hawaii Housing Finance and Development Corporation; Chamber of Commerce Hawaii; Hawaii's Association of REALTORS; Building Industry Association of Hawaii; and Land Use Research Foundation of Hawaii. Your Committees received testimony in opposition to this measure from one individual.

Your Committees find that traditional zoning and land use designations are no longer adequate to meet current development trends. Mixed-use zoning encourages smart growth and the development of compact, higher-density communities consisting of walkable areas with housing, jobs, shops, and services located within close proximity. Mixed-use developments are especially beneficial for low- and moderate-income households because they reduce transportation costs, traffic congestion, and the number of vehicle miles traveled by community residents.

Your Committees further find that the Hawaii Housing Finance and Development Corporation is authorized to develop certain types of facilities in partnership with the Department of Education and the Department of Accounting and General Services. Expansion of

this authority to other state and county governmental agencies would enable the Corporation to use its development powers in partnership with any governmental agency that holds developable land.

As affirmed by the records of votes of the members of your Committees on 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. 2293, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Wakai, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Inouye).

SCRep. 3063 Housing on H.B. No. 2305

The purpose and intent of this measure is to authorize the creation of regional state infrastructure subaccounts within the dwelling unit revolving fund to provide loans and grants to finance regional state infrastructure improvements in areas of planned growth.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Office of Planning; Hawaii Housing Finance and Development Corporation; Land Use Research Foundation of Hawaii; Chamber of Commerce Hawaii; Hawai'i Association of REALTORS; and Building Industry Association of Hawaii.

Your Committee finds that orderly and planned infrastructure construction is the foundation for planned population growth and desirable communities. Adequate infrastructure to accommodate future growth would provide livable communities with a desirable quality of life, make possible strategically situated affordable housing near jobs, and allow necessary infrastructure capacity to support development.

Your Committee further finds that infrastructure capacity must be increased to accommodate higher densities in and around the transit corridor and that infrastructure construction should be timed or phased with planned development. While the lack of adequate infrastructure is most evident on Oahu, the neighbor islands also suffer from lack of infrastructure to accommodate future growth. This measure will enable all counties to finance the initial costs of infrastructure that will support new, planned development.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2305, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3064 Housing on H.B. No. 1958

The purpose and intent of this measure is to exempt rental subsidy payments for Section 8 and Housing First programs from the state general excise tax.

Your Committee received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor, Department of Human Services, Hawaii Public Housing Authority, Hawai'i Association of REALTORS, and one individual. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that housing programs, such as the Section 8 and Housing First programs, that serve the most vulnerable populations are challenged to find landlords and property managers willing to rent units to those individuals and families participating in the programs. For example, it may often take a Section 8 program participant several months to find a landlord willing to accept a voucher, leaving the family without housing and stability. This measure offers a creative way to incentivize landlords to rent to Section 8 program participants and homeless individuals and families by providing an exemption of rental subsidy payments from the state general excise tax.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1958, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Taniguchi). Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3065 (Majority) Public Safety, Intergovernmental, and Military Affairs on H.B. No. 625

The purpose and intent of this measure is to enhance protections against acts of gun violence committed by individuals with a history of dangerous behavior by including misdemeanor harassment by stalking and sexual assault among the offenses that disqualify a person from owning, possessing, or controlling any firearm or ammunition.

Your Committee received testimony in support of this measure from the Police Department of the City and County of Honolulu, Domestic Violence Action Center, Center for American Progress, Americans for Responsible Solutions, Sex Abuse Treatment Center, and three individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association, Valley Isle Sport Shooters, and more than sixty individuals.

Your Committee finds that sexual assault in the fourth degree and harassment by stalking can escalate into more violent conduct and eventually become lethal, particularly when firearms are involved. Research indicates a correlation between partner stalking, sexual assault, and the propensity for partner stalkers to use firearms against their victims. Restricting individuals with a history of these dangerous behaviors from owning or possessing firearms contributes to the safety and security of the public.

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. 625, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, none.

SCRep. 3066 (Majority) Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2391

The purpose and intent of this measure is to prevent overcrowding at community correctional centers by authorizing the Director of Public Safety to release pretrial or sentenced misdemeanants based on specific criteria and referenced procedures.

Your Committee received testimony in support of this measure from the Department of Public Safety, Department of the Attorney General, Office of Hawaiian Affairs, Community Alliance on Prisons, The CHOW Project, and one individual. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney for the City and County of Honolulu.

Your Committee finds that correctional facilities in Hawaii suffer from persistent overcrowding. This condition adversely affects the ability of the State to adequately provide for the safe, secure, and humane incarceration of inmates in its care and custody. Your Committee further finds that conditional release of qualified misdemeanants is a rational and reasonable alternative to incarceration that will relieve overcrowded jail conditions in Hawaii. Your Committee additionally finds that careful consideration by the Director of Public Safety is necessary to minimize the possibility of dangerous or unsuitable individuals being released from incarceration. Your Committee also finds that timely notice in advance of a misdemeanant's release is necessary to ensure that law enforcement and the courts have the opportunity to take appropriate action to minimize any potential disruptions caused by the release of an inmate.

Your Committee has amended this measure by:

- (1) Requiring the Director to consider the circumstances and nature of the misdemeanant's charge or offense before ordering a release;
- (2) Removing the requirement that the Director file a copy of the release order with the court in which the charge against a released inmate is pending;
- (3) Requiring the Director to notify the court where a released inmate's case is assigned as well as the prosecuting attorney of the release no later than twenty-four hours prior to the time of the release;
- (4) Clarifying that it applies to persons whose original crime occurred on or after the effective date of the measure; 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 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. 2391, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2391, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, none.

SCRep. 3067 Transportation and Energy on H.B. No. 1689

The purpose and intent of this measure is to amend the existing ethanol facility income tax credit to include facilities that produce other renewable fuels.

Your Committee received testimony in support of this measure from Ulopono Initiative; BioEnergy Hawaii; Renewable Energy Action Coalition of Hawaii; Hawaii Renewable Energy Alliance; Hawaii Renewable Resources, LLC; and one individual. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Tax Foundation of Hawai'i; and Hawaii Gas.

Act 289, Session Laws of Hawaii (SLH) 2000, established an investment tax credit to encourage the construction of an ethanol production facility in the State. Act 140, SLH 2004, changed the credit from an investment tax credit to a facility tax credit. This measure proposes to further amend the ethanol facility tax credit to encompass facilities that produce other renewable fuels.

Your Committee finds that ethanol has become obsolete as a fuel additive. The demand for feedstock that is used to produce ethanol basically redirects that feedstock away from traditional uses, causing products derived from the feedstock to substantially increase in price.

Your Committee finds that this measure has the potential to open the door for significant renewable energy investment in the State, therefore helping Hawaii become more self-sufficient in its energy supply.

Your Committee has amended this measure by:

- (1) Clarifying a facility's nameplate capacity by defining that one gallon shall be equal to 76,330 British thermal units, as defined by the United States Department of Energy;
- (2) Changing the date in which a qualifying renewable fuels production facility must be in production to qualify for the credit from January 1, 2017, to January 1, 2020; and
- (3) Amending the definition of "qualifying renewable fuel" by deleting the requirement that to qualify for the tax credit, any renewable feedstock that was transported more than five hundred miles be determined to serve a legitimate public purpose.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1689, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1689, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (English, Kidani, Slom).

SCRep. 3068 Transportation and Energy on H.B. No. 2416

The purpose and intent of this measure is to repeal chapter 201N, Hawaii Revised Statutes, relating to the renewable energy facility siting process.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and the Office of the Auditor.

Your Committee finds that chapter 201N, Hawaii Revised Statutes, should be repealed due to lack of implementation. According to the Auditor's Report No. 14-13, no project has completed the siting process and the Department of Business, Economic Development, and Tourism has not implemented a siting process program. The Auditor also reported that the renewable energy facility siting special fund, created pursuant to Act 207, Session Laws of Hawaii 2008, for the purpose of funding the operation and administration of the renewable energy facility siting process, maintained a balance of \$0 from the beginning of fiscal year 2009–2010, to the end of fiscal year 2013–2014, and has not demonstrated the capacity to be self-sustaining.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2416, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3069 (Joint) Tourism and International Affairs and Commerce, Consumer Protection, and Health on H.B. No. 1850

The purpose and intent of this measure is to allow a transient accommodations broker to register to act as a tax collection agent with respect to transient accommodations taxes and general excise taxes for its operators and plan managers.

Your Committees received testimony in support of this measure from the Department of Taxation; Airbnb; Outrigger Hotels and Resorts; Faith Action for Community Equity; Rocky Point Properties, LLC; and numerous individuals. Your Committees received testimony in opposition to this measure from the Department of Planning and Permitting of the City and County of Honolulu, Planning Department of the County of Kauai, Hawai'i Appleseed Center for Law and Economic Justice, Kailua Neighborhood Board No. 31, Keep It Kailua, Rentals by Owner Awareness Association, Save O'ahu's Neighborhoods, UNITE HERE Local 5, Hawaii Lodging & Tourism Association, and numerous individuals. Your Committees received comments on this measure from Tax Foundation of Hawaii, Office of Hawaiian Affairs, and one individual.

Your Committees find that allowing a private person to act as a tax collection agent is likely to ease the burden of collecting taxes. As an example, section 237-9, Hawaii Revised Statutes, allows a person engaged in network marketing, multi-level marketing, or other similar business to enter into an agreement with the Department of Taxation to act as a tax collection agent on behalf of its direct sellers. Your Committees find that similarly allowing a transient accommodations broker to act as a tax collection agent on behalf of providers of transient accommodations that utilize the services of the transient accommodations broker will facilitate the collection of transient accommodations taxes and general excise taxes.

Your Committees have amended this measure by ensuring that the subject property is in compliance with land use laws by:

- (1) Requiring the transient accommodations broker, prior to placing an advertisement for a property, to notify the operator or plan manager that the subject property is required to be in compliance with applicable land use laws; and
- (2) Requiring the operator or plan manager to attest that the subject property is in compliance with applicable land use laws.

Your Committees request your Committee on Ways and Means to consider the testimony of the Department of Taxation regarding the need for an extension of time in order to make forms available.

As affirmed by the records of votes of the members of your Committees on Tourism and International Affairs and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1850, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1850, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Majority Leader and Chair on behalf of the Committees.

Tourism and International Affairs: Ayes, 5. Noes, none. Excused, 2 (Kim, Slom).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 3070 (Majority) Public Safety, Intergovernmental, and Military Affairs on H.B. No. 626

The purpose and intent of this measure is to promote public safety by prohibiting the physical possession of any firearm while consuming alcohol in certain locations.

Your Committee received testimony in support of this measure from the Police Department of the City and County of Honolulu and three individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association, Valley Isle Sport Shooters, and more than sixty individuals. Your Committee received comments on this measure from two individuals.

Your Committee finds that forty-six states have laws restricting or prohibiting the possession of a firearm while consuming or under the influence of alcohol and other intoxicants. Additionally, several county law enforcement agencies have adopted policies that prohibit their law enforcement officers from handling firearms while consuming or under the influence of alcohol. Your Committee further finds that law enforcement officers should not in general be exempt from prohibitions against irresponsible possession or use of firearms.

Your Committee has amended this measure by:

- (1) Repealing the exemption for state and county law enforcement officers and others from prohibitions against owning or possessing firearms under section 134-7, 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 H.B. No. 626, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 626, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, none.

SCRep. 3071 (Majority) Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2629

The purpose and intent of this measure is to promote public safety by authorizing county police departments to enroll firearms permit applicants and individuals who are registering their firearms into a criminal record monitoring service that is used to alert police when an owner of a firearm is arrested for a criminal offense anywhere in the country.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Honolulu Police Department, and two individuals. Your Committee received testimony in opposition to this measure from the National Rifle Association, Hawaii Rifle Association, Valley Isle Sport Shooters, and more than sixty individuals.

Your Committee finds that properly updated criminal background checks on firearms permit applicants are crucial to the safety of the public. The rap back program is a service of the Federal Bureau of Investigation that provides continuous criminal record monitoring for authorized government agencies, including law enforcement agencies, and notifies those agencies when a specified individual is arrested for a criminal offense anywhere in the nation. This program, coupled with thorough background inquiries of firearms permit applicants, will ensure that law enforcement agencies in Hawaii can more effectively screen prospective firearm owners and receive warning when a firearms owner has been disqualified from firearms ownership due to criminal activities in another state. Your Committee further finds that the checks performed by the county police departments for firearms permitting and registration purposes include inquiries separate from the criminal history record check conducted through the Hawaii Criminal Justice Data Center and the Federal Bureau of Investigation.

Your Committee has amended this measure by:

- (1) Clarifying that the issuing authority of a firearms permit and the police department registering a firearm shall perform inquiries on an applicant using various national databases and conduct criminal history record checks; 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 H.B. No. 2629, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2629, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, none.

SCRep. 3072 (Joint) Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy on H.B. No. 2636

The purpose and intent of this measure is to require a county with a resident population greater than 170,000 but fewer than 500,000 to require a special permit approval for the placement of solar energy facilities with a capacity of more than twenty-five kilowatts on certain lots within the agricultural district.

Your Committees received testimony in support of this measure from four individuals. Your Committees received testimony in opposition to this measure from the Office of Planning, Department of Agriculture, and one individual. Your Committees received comments on this measure from the Department of the Attorney General and one individual.

Your Committees find that solar energy facilities are an important component of the State's commitment to increased reliance on renewable energy, however not all locations within Hawaii are appropriate for solar energy production. Large-scale solar energy production facilities near residential developments can adversely affect residents, for example. This measure provides a mechanism to mitigate those potential adverse effects. Your Committees further find that the responsibility to initiate the permitting procedure rightly falls to the landowner instead of the counties.

Your Committees have amended this measure by placing the mandate to initiate the permitting process on the landowner instead of the counties.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of H.B.

No. 2636, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2636, H.D. 2, S.D. 1, and be referred to your 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 and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3073 (Joint) Hawaiian Affairs and Higher Education and the Arts on H.B. No. 2180

The purpose and intent of this measure is to appropriate funds to establish Hawaiian language resources for the Judiciary.

Your Committees received testimony in support of this measure from the Judiciary, Hawaiian Language Web Feasibility Task Force, Association of Hawaiian Civic Clubs, Aha Punana Leo, Kamehameha Schools, and fourteen 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 two individuals.

Your Committees find that the Judiciary Hawaiian Language Web Feasibility Task Force proposed a plan to establish Hawaiian language resources in the Judiciary by translating versions of various Judiciary webpages, establishing education programs, and adding positions for Judiciary resource staff. Your Committees further find that while the number of Hawaiian language speakers has increased over the past few decades, few individuals have Hawaiian language expertise in the fields of governance, law, business, and health due, in part, to the lack of demand for these positions. Your Committees find that funding the plan proposed by the task force will help revitalize the Hawaiian language by providing opportunities for the native Hawaiian language to be used in a professional environment.

Your Committees have amended this measure by removing its contents and inserting the contents of S.B. No. 2162, S.D. 2, Regular Session of 2016, thereby:

- (1) Adding a Hawaiian language translation of the measure contents;
- (2) Inserting an effective date of July 1, 2016; 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 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. 2180, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2180, H.D. 1, S.D. 1, and be referred to your 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 (Kim, Slom).

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 3074 (Majority) Hawaiian Affairs on H.B. No. 2458

The purpose and intent of this measure is to require a wholesale rate of an unspecified per cent of general excise taxes to apply to the gross proceeds of sale or gross income arising from the sale of all products produced from Hawaiian loko i'a.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Aha Moku Advisory Committee, Makaha Hawaiian Civic Club, and one individual. Your Committee received testimony in opposition to this measure from the Department of the Attorney General. Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that Hawaiian loko i'a are culturally significant and valuable to the State of Hawaii. Your Committee further finds that this measure helps to preserve the practice of sustainable aquaculture.

Your Committee has heard the concerns of the Department of Taxation regarding the administrative burden of creating a new tax rate exclusively for Hawaiian loko i'a products and the concerns of the Department of the Attorney General regarding the Commerce Clause of the United States Constitution.

Accordingly, your Committee has amended this measure by:

- (1) Inserting one-half of one percent as the amount of the wholesale general excise tax rate;
- (2) Amending the definition of "Hawaiian loko i'a" to further clarify that the tax rate shall not discriminate against interstate commerce; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

Your Committee notes the concerns of the Department of Taxation relating to identification of Hawaiian loko i'a products and requests that if your Committee on Ways and Means decides to hear this measure, it consider S.B. No. 537, S.D. 1, Regular Session of 2015, as a resource for guidance.

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. 2458, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2458, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 2. Noes, 1 (Slom). Excused, 2 (English, Kim).

SCRep. 3075 Hawaiian Affairs on H.B. No. 2277

The purpose of this measure is to assist the King Kamehameha Celebration Commission (Commission) in its duties by:

- (1) Amending the membership and the appointment process for Commission members;
- (2) Authorizing the appointment of an advisory committee to advise the Commission Chairperson on the historical and archival background of the Commission; and
- (3) Authorizing the appointment of an Executive Director to the Commission.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Royal Order of Kamehameha I, Makaha Hawaiian Civic Club, Waimānalo Hawaiian Homes Association, and two individuals.

Your Committee finds that this measure provides necessary updates to the membership of the King Kamehameha Celebration Commission and provides the Commission's chairperson with formal access to an advisory committee.

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 Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2277, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2277, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (English, Kim).

SCRep. 3076 Government Operations on H.B. No. 2007

The purpose and intent of this measure is to improve government operations and efficiency by establishing a Lean Government Advisory Board within the Department of Human Resources Development.

Your Committee received testimony in support of this measure from the Department of Human Resources Development. Your Committee received comments on this measure from the Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO.

Your Committee finds that New York has been successful in the implementation of lean concepts in government with a focus on the goals of creating efficiencies and promoting effectiveness of government operations and services, rather than cutting positions. Implementation of this measure will further ensure the public that the Legislature is making good use of the resources to which the Legislature has been entrusted.

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. 2007, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3077 Government Operations on H.B. No. 2018

The purpose and intent of this measure is to establish guidelines for the management of capital improvement projects by requiring:

- (1) The Comptroller to conduct annual training for the engineering personnel of each executive department and state agency that manages the department's or agencies' own capital improvement projects, and each department and agency to provide orientation training for new employees during the interim; and
- (2) Each executive department and state agency that manages the department's or agencies' own capital improvement projects to use timelines, contract administration worksheets, ensure end-user satisfaction, and identify and involve stakeholders throughout a project's execution and closing.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Transportation, and Office of the Auditor.

Your Committee finds that there are great inconsistencies and a general lack of accountability in the management and construction of government capital improvement projects. In response to these concerns, Act 177, Session Laws of Hawaii 2015, was enacted and directs the Auditor to review the process, efficiencies, and accountability of various departmental engineering sections that manage general fund capital improvement projects. Implementation of this measure will provide transparency and ensure accountability in the management and construction of government capital improvement projects.

Your Committee recognizes that this measure is a work in progress and that there are questions regarding what training will entail, who will conduct the training, consequences for noncompliance, and cost. Your Committee finds that these issues merit further discussion and requests that your Committee on Ways and Means further examine those issues should it consider this measure for passage.

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. 2018, H.D. 1, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3078 Government Operations on H.B. No. 2527

The purpose and intent of this measure is to:

- (1) Establish the Committee on Progress of Construction Projects (“Committee”) to monitor certain state construction projects and bring impediments to the attention of the relevant decision-makers;
- (2) Require the Governor to convene a meeting of the Committee at least once during each quarter of each fiscal year; and
- (3) Require each agency of the State to notify the Committee of certain construction projects and to cooperate fully in any review of a project by the Committee.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services.

Your Committee finds that it is imperative that the progress of state construction projects for which at least \$25,000,000 has been appropriated or special interest projects, as designated by the Governor, are monitored. Implementation of this measure will ensure that impediments of certain state construction projects are brought to the attention of the relevant decision-makers and provide better accountability and transparency in the construction of state projects.

Your Committee has amended this measure by:

- (1) Requiring the Governor to convene a meeting of the Committee a minimum of every two months, rather than at least once during each quarter of each fiscal year; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee recognizes that this measure is a work in progress and that there are questions regarding feasibility and management. Your Committee finds that these issues merit further discussion and requests that your Committee on Ways and Means further examine those issues should it consider this measure for passage.

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. 2527, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2527, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3079 (Joint) Housing and Human Services on H.B. No. 1773

The purpose and intent of this measure is to appropriate funds to the Department of Human Services to support the:

- (1) Housing First programs for chronically homeless individuals; and
- (2) Shallow rent subsidy program to assist homeless working individuals and families in obtaining or maintaining permanent housing.

Your Committees received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor; Department of Human Services; Office of the Mayor, County of Maui; PHOCUSED; Helping Hands Hawai‘i; Catholic Charities Hawai‘i; The CHOW Project; Partners in Care; League of Women Voters of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Children’s Action Network; and ten individuals.

Your Committees find that Hawaii has the highest per capita rate of homelessness of any state in the nation, as an estimated 7,620 people are living on the streets and in shelters in Hawaii. Addressing homelessness requires a multi-faceted approach using interventions targeted to the particular characteristics of the population being served.

Your Committees further find that Housing First programs are proven to be effective in addressing homelessness for chronically homeless individuals, including those who have an addiction or mental illness, or both. Your Committees note that the shallow rent subsidy program described in this measure is similar to the rapid re-housing program in the Governor’s Executive Budget, which would target sheltered homeless individuals and families in order to increase efficiency and maximize utilization of the State’s shelter inventory.

Your Committees have amended this measure by:

- (1) Substituting references to the “shallow rent subsidy program” with “rapid-rehousing program”;
- (2) Inserting language that appropriates funds for 1.75 full-time equivalent (1.75 FTE) positions within the Hawaii Public Housing Authority to manage the rent supplement program;
- (3) Inserting language that specifies that the rent supplement program shall coordinate additional services of case management, financial literacy, and employment training; 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 Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1773, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1773, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Housing: Ayes, 4. Noes, none. Excused, 3 (Galuteria, Ihara, Slom).

Human Services: Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 3080 (Joint) Housing and Human Services on H.B. No. 2244

The purpose and intent of this measure is to appropriate funds for the following housing programs and services:

- (1) The rental housing revolving fund to be used for rental housing units;
- (2) The State's Housing First program to be used for the continued implementation of the program and expansion of the program outside Oahu;
- (3) The repair and maintenance of the Hawaii Public Housing Authority's existing public housing stock; and
- (4) A rental assistance program, also known as the shallow subsidy program, within the Department of Human Services to be used for homeless working individuals and their families who are ready to rent permanent housing, with certain eligibility requirements.

Your Committees received testimony in support of this measure from the Coordinator on Homelessness under the Office of the Governor; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Land Use Research Foundation of Hawaii; PHOCUSED; Catholic Charities Hawai'i; Hawai'i Association of REALTORS; Partners in Care; League of Women Voters of Hawaii; Hawaii Children's Action Network; United Public Workers, Local 646; and two individuals. Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that there is a severe shortage of affordable housing in Hawaii, and the shortage places an immense strain on lower-income households. In addition, many families are threatened with homelessness, as seventy-five percent of extremely low-income households spend more than half of their income on rent. Your Committees further find that, in addition to increasing the supply and quality of public and affordable housing stock, this measure would create jobs, reduce homelessness, and allow low-income families to spend more of their income on essentials such as food and medical care.

Your Committees have amended this measure by substituting references to the "shallow subsidy program" with "rapid-re-housing program".

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2244, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2244, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 4. Noes, none. Excused, 3 (Galuteria, Ihara, Slom).

Human Services: Ayes, 6. Noes, none. Excused, 1 (Slom).

SCRep. 3081 (Joint) Water, Land, and Agriculture and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 1996

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; Land Use Research Foundation of Hawaii; Hawaii Floriculture and Nursery Association; Hawai'i Farm Bureau; Maui County Farm Bureau; Hawaii Cattlemen's Council; Ponoholo Ranch; Hawaii Crop Improvement Association; and fifty individuals.

Your Committees find that agricultural theft and agricultural vandalism are 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 and agricultural vandalism have been constant threats especially 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.

As affirmed by the records of votes of the members of your Committees on Water, Land, and 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. 1996, H.D. 1, and recommend that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Ruderman, Wakai).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3082 (Joint) Water, Land, and Agriculture and Higher Education and the Arts on H.B. No. 2676

The purpose and intent of this measure is to encourage farming in the State by establishing and appropriating funds for a five-year energy independent farming community pilot project, within the University of Hawaii College of Tropical Agriculture and Human Resources' Agribusiness Incubator program, to provide support to persons who want to be farmers.

Your Committees received testimony in support of this measure from the Department of Agriculture, University of Hawai'i System, Hawai'i Farm Bureau, EcoTipping Points Project, NuWayve Unlimited, and three individuals.

Your Committees find that new farmers face tremendous obstacles in starting a farm, including high infrastructure costs to provide water, sewer, and electrical services to the land. Farmers who lease land encounter difficulties in terminating leases when housing is

situated on the leased land, while farmers who purchase private land face the prospect that lessees will demand lease to fee conversion. Your Committees further find that the State, as owner of thousands of acres of agricultural land, can play a major role in addressing the barriers faced by prospective farmers while also addressing potential infrastructure, eviction, and inefficiency problems for the landowner by creating state-owned small farming communities consisting of agricultural areas with two to five acre lots, each with a clustered off-grid housing unit, leased to the farmer.

Your Committees have amended this measure by:

- (1) Inserting an appropriation amount of \$100,000 for the manager position;
- (2) Inserting an appropriation amount of \$50,000 for planning of the pilot project; and
- (3) Inserting an effective date of July 1, 2016.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture 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. 2676, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2676, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Shimabukuro, Wakai).

Higher Education and the Arts: Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 3083 (Joint) Water, Land, and Agriculture and Commerce, Consumer Protection, and Health on H.B. No. 1581

The purpose and intent of this measure is to require contested case hearings of the Commission on Water Resource Management, Land Use Commission, Public Utilities Commission, Hawaii Community Development Authority, and those involving conservation districts to be appealed directly to the Supreme Court.

Your Committees received testimony in support of this measure from the Building Industry Association–Hawaii, Hawai'i Association of REALTORS, Hawai'i Farm Bureau, Chamber of Commerce Hawaii, and two individuals. Your Committees received comments on this measure from the Judiciary and Department of the Attorney General.

Your Committees find that this measure would substantially reduce the time required to resolve disputes on agency actions involving the Commission on Water Resource Management, Land Use Commission, Public Utilities Commission, Hawaii Community Development Authority, and those involving conservation districts. Reducing the number of decisions and appeals on an already cumbersome land use entitlement process would improve the predictability and certainty and reduce the risk currently associated with Hawaii's land use entitlement process.

Your Committees note the concerns of the Department of the Attorney General and have therefore amended this measure by:

- (1) Amending section 602-5(a), Hawaii Revised Statutes, to resolve potential conflicts;
- (2) Requiring that the court gives priority to contested case appeals that are of significant statewide importance, relating to the Commission on Water Resource Management, conservation districts, Land Use Commission, and Public Utilities Commission;
- (3) Deleting language that would have allowed the court to reserve jurisdiction and appoint a master or monitor to ensure compliance with its orders, where a court remands a matter to an agency for the purpose of conducting a contested case hearing, because the language is redundant, as the court always has authority to enforce its own orders;
- (4) Removing proposed amendments to section 206E-20, Hawaii Revised Statutes, to avoid confusion;
- (5) Requiring the Judiciary to submit a report to the Legislature prior to the Regular Session of 2019;
- (6) Inserting a sunset date of July 1, 2019; 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, Land, and Agriculture and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1581, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1581, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 8. Noes, none. Excused, 1 (Wakai).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3084 (Joint) Water, Land, and Agriculture and Commerce, Consumer Protection, and Health on H.B. No. 2582

The purpose and intent of this measure is to establish within the Department of Agriculture an Agricultural Food Safety Certification program to support the agricultural industry and assist farmers and ranchers with the compliance requirements of the FDA Food Safety Modernization Act.

Your Committees received testimony in support of this measure from the Department of Agriculture, Land Use Research Foundation of Hawaii, North Shore Economic Vitality Partnership, and Hawai'i Farm Bureau.

Your Committees find that the FDA Food Safety Modernization Act (FSMA), was signed into law by President Obama on January 4, 2011, and aims to ensure that the United States food supply is safe by shifting the focus from responding to contamination to preventing it. As the FSMA is implemented on the federal level, the State and local farmers and ranchers will be required to meet

compliance specifications. Your Committees further find that an Agricultural Food Safety Certification program may be encompassed within an existing program, such as the Good Agricultural Practices program.

Your Committees also find that resources will be needed to effectively administer an Agricultural Food Safety Certification program and recommend that if your Committee on Ways and Means chooses to hear this measure, that it consider including an appropriation for the amount requested by the Department of Agriculture.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2582, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 8. Noes, none. Excused, 1 (Wakai).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3085 Commerce, Consumer Protection, and Health on H.B. No. 2539

The purpose and intent of this measure is to authorize the establishment of health savings accounts in conjunction with group accident and health or sickness insurance policies, group hospital and medical service plan contracts, and health maintenance organization plans in the State.

Prior to holding a hearing on this measure, your Committee made available for public review a proposed S.D. 1 of this measure. The proposed S.D. 1 deleted the contents of this measure and inserted provisions that authorize insurers, mutual benefit societies, and health maintenance organizations to offer, sell, or renew, on or after July 1, 2016, a high deductible health plan in conjunction with a health savings account to an employer subject to the Prepaid Health Care Act alongside a prepaid health care plan insurance policy that has been sold to the employer.

Your Committee received testimony in support of the proposed S.D. 1 from Kaiser Permanente Hawaii; Hawaii Medical Association; Outrigger Enterprises, Inc.; and JTB Hawaii, Inc. Your Committee received testimony in opposition to the proposed S.D. 1 from the International Longshore and Warehouse Union, Local 142. Your Committee received comments on the proposed S.D. 1 from the Department of the Attorney General, Department of Commerce and Consumer Affairs, Department of Labor and Industrial Relations, and Hawaii Medical Service Association.

Your Committee finds that health savings accounts are authorized under federal law and afford employees who also have a high deductible health plan and their families a tax-advantaged medical savings account. A health savings account is not subject to federal income tax at the time of deposit, and unspent balances continue to accumulate over time and follow the employee, should the employee change jobs. Money in a health savings account may only be used for qualified medical expenses. Your Committee further finds that health savings accounts are not appropriate for every employee, but for those employees who may be better matched with a health savings account program rather than a group plan, health savings accounts offer significant financial incentives.

Your Committee additionally finds that the proposed S.D. 1 establishes optional high deductible health plans in conjunction with health savings account programs for insurers who are subject to regulation by the Insurance Commissioner and Director of Labor and Industrial Relations. Your Committee notes that the proposed S.D. 1 is intended to codify currently permitted activity, as insurers may currently offer, sell, or renew high deductible health plans in conjunction with health savings accounts to employers subject to Hawaii's Prepaid Health Care Act.

Your Committee has heard the concerns that if employers offer only a high deductible health plan sold in conjunction with a health savings account to all employees eligible for the plan, that high deductible health plan may become the prevalent plan for the State. Amendments to this measure are therefore necessary to address this concern and other concerns relating to choice, provision, and implementation of the high deductible health plan options established by this measure.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Clarifying that on or after January 1, 2017, insurers, mutual benefit societies, and health maintenance organizations are authorized to offer, sell, or renew, high deductible health plans in conjunction with a health savings account as provided by this measure, to provide these entities adequate time to implement the high deductible health plan programs with employer groups;
- (2) Clarifying that insurers, mutual benefit societies, and health maintenance organizations may offer, sell, or renew a high deductible health plan in conjunction with a health savings account to an employer subject to chapter 393, Hawaii Revised Statutes, together with a prepaid health care plan policy or plan, which is not a high deductible health plan, that has been sold to the employer;
- (3) Ensuring that each eligible employee is offered a choice between a high deductible health plan and a non-high deductible health plan;
- (4) Clarifying that an insurer, mutual benefit society, or health maintenance organization is not required to provide a health savings account to an employer;
- (5) Specifying that the number of subscribers of high deductible health plans sold in conjunction with a health savings account shall be disregarded when determining the largest number of subscribers in the State for purposes of determining the State's preferred plan;
- (6) Inserting a severability 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2539, H.D. 2, as amended herein, and

recommends that it pass Second Reading in the form attached hereto as H.B. No. 2539, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Nishihara).

SCRep. 3086 Commerce, Consumer Protection, and Health on H.B. No. 2740

The purpose and intent of this measure is to:

- (1) Prohibit health insurance preauthorization requirements that cause undue delay in receipt of medical treatment or services; and
- (2) Specify that insurers, but not health care providers, are liable for civil damages caused by undue delays in preauthorization.

Your Committee received testimony in support of this measure from the Hawaii Medical Association; American Congress of Obstetricians and Gynecologists, Hawaii Section; Hawaii Academy of Physician Assistants; American College of Emergency Physicians, Hawaii Chapter; Hawaii Association for Justice; Hawaii Injured Workers Association; Hawaii Radiological Society; Kihē-Wailea Medical Center; and sixteen individuals. Your Committee received testimony in opposition to this measure from the University Health Alliance, Hawaii Medical Service Association, Hawai'i Association of Health Plans, UnitedHealthcare Community Plan of Hawai'i, Hawaii Dental Service, and three individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs, Department of Human Services, American Council of Life Insurers, and one individual.

Your Committee finds that prior approval for medical services, also known as precertification or preauthorization, refers to health insurer requirements that certain physician-ordered treatments or services must be approved in advance by the insurer or by a medical review service contracted by the insurer before the insurer will provide final reimbursement or payment. Preauthorization can help contain costs and ensure authorized medical treatment and services are consistent with current standards of care. Preauthorization can also promote accountability and mitigate against the overutilization of costly, potentially harmful, medical treatments and services. Furthermore, federal programs such as Medicaid and Medicare have specific guidelines regarding preauthorization of certain medical treatment and services.

However, your Committee further finds that preauthorization requirements may also create gaps in necessary and often critical health care coverage. Your Committee has heard the concerns raised in testimony that overly burdensome preauthorization programs may create barriers to timely and appropriate patient care. Your Committee has also heard testimony regarding the importance of timely responses to preauthorization requests and the need to ensure that preauthorization requests and decisions are made in accordance with evidence-based appropriate-use criteria or guidelines. Your Committee concludes that establishing basic standards that must be met for preauthorization of medical treatment and services is appropriate. Amendments to this measure, which incorporate these basic standards, are therefore necessary.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that any preauthorization request for medical treatment or service shall be consistent with known, published, and current evidence-based appropriate-use criteria or guidelines for the appropriate specialty or subspecialty for which the preauthorization is requested;
- (2) Specifying requirements that any insurer that requires preauthorization of a medical treatment or service must meet;
- (3) Clarifying that preauthorization shall not be required for delivery of emergency medical services;
- (4) Specifying requirements that a third party vendor, utilized by an insurer for preauthorization requests, must meet;
- (5) Requiring decisions on preauthorization requests to be made in accordance with nationally-accepted evidence-based appropriate-use criteria or guidelines and made publicly available to health care providers within an insurer's network;
- (6) Requiring complaints regarding preauthorization to be filed with the Insurance Commissioner and specifying that inquiries associated with preauthorization denial or undue delay disputes shall be filed with the Medical Inquiry and Conciliation Panel;
- (7) Clarifying that an insurer is not prohibited from implementing preauthorization;
- (8) Clarifying that an insurer shall not be disqualified from meeting established requirements for preauthorization, as required by the Department of Human Services' state Medicaid program or as required by federal plans or programs;
- (9) Defining "preauthorization";
- (10) Clarifying that the preauthorization standards established by this measure apply to all health insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes;
- (11) Requiring the Insurance Commissioner to submit a report to the Legislature, no later than twenty days prior to the Regular Session of 2019, regarding the preauthorization standards established by this measure;
- (12) Deleting language that prohibited health insurance preauthorization requirements that cause undue delay in receipt of medical treatment or services;
- (13) Deleting language that specified that insurers, but not health care providers, are liable for civil damages caused by undue delays for preauthorization;
- (14) Deleting language that required a licensed health care provider to provide medical treatment or services without preauthorization when an unreasonable delay would cause the exacerbation or worsening of a health condition and that required an insurer that disputed this decision to show there was no reasonable belief to proceed without preauthorization;
- (15) Inserting an effective date of July 1, 2050, to encourage further discussion and inserting a sunset date of July 1, 2019; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2740, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2740, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3087 (Joint) Human Services and Judiciary and Labor on H.B. No. 2348

The purpose and intent of this measure is to:

- (1) Restore the second Deputy Director position within the Department of Human Services;
- (2) Establish the positions of Community/Project Development Director and Policy Director within the Office of the Director of Human Services; and
- (3) Appropriate funds the Deputy Director, Community/Project Development Director, and Policy Director positions and one private secretary position for the second Deputy Director.

Your Committees received testimony in support of this measure from the Hawaii Primary Care Association and Department of Human Services. Your Committees received comments on this measure from the Hawaii Government Employees Association.

Your Committees find that this measure assists the Department of Human Services manage its programs effectively, thereby assisting Hawaii residents who are in need of the Department's benefits and services.

Your Committees have amended this measure by:

- (1) Requiring the Governor's approval as a prerequisite to retaining the second Deputy Director position within the Department of Human Services; 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 Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2348, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2348, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Human Services: Ayes, 4. Noes, none. Excused, 3 (Green, Harimoto, Ruderman).
Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 3088 (Majority) Judiciary and Labor on H.B. No. 1653

The purpose and intent of this measure is to:

- (1) Require counties with a population of less than 100,000 to implement elections by mail beginning with the 2018 primary election, counties with a population of less than 500,000 to implement elections by mail beginning with the 2020 primary election, and all federal, state, and county primary, special primary, general, special general, and special elections to be conducted by mail beginning with the 2022 primary election;
- (2) Allow any federal, state, or county election occurring prior to the 2022 primary election and not already required to be conducted by mail, to be conducted by mail in whole or in part;
- (3) Require all voters in an election by mail precinct or county to be considered permanent absentee voters;
- (4) Require all active voters in an election by mail precinct or county to be mailed a ballot and allow inactive voters to update their voter registration to become active voters;
- (5) Allow all active registered voters to vote at an absentee polling place in lieu of voting by mail subject to certain conditions;
- (6) Establish that procedures and requirements regarding absentee voting be equally applicable to election by mail;
- (7) Allocate and designate the expenses and responsibilities for elections by mail;
- (8) Establish procedures for the electronic transmission, marking, and return of ballots;
- (9) Make certain election days state holidays for only those individuals who vote in an election by mail at an absentee polling place on the day of election due to necessity or requirement;
- (10) Make conforming amendments to existing laws relating to elections to reflect and implement an elections by mail program;
- (11) Allow permanent absentee voters to request that their ballots be temporarily forwarded to another address in or outside of the State for an election;
- (12) Amend the timeframe for the delivery of absentee ballots and allow for the electronic transmission of an absentee ballot in certain circumstances;
- (13) Establish procedures for the operation of absentee polling places and allow additional absentee polling places to be established by the county clerk at other locations and times and dates of operation;

- (14) Specify procedures for the return, receipt, and counting of absentee ballots;
- (15) Clarify that providing false information on a voter registration affidavit submitted during late registration is a class C felony; and
- (16) Appropriate funds to the Office of Elections to implement an election by mail program.

Your Committee received testimony in support of this measure from the Office of Elections, Planned Parenthood Votes Northwest and Hawaii, League of Women Voters of Hawaii, and one individual. Your Committee received testimony in opposition to this measure from The Libertarian Party of Hawaii. Your Committee received comments on this measure from the Office of the City Clerk of the 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 transition to elections by mail through a phased-in approach.

Your Committee notes that amending section 8-1, Hawaii Revised Statutes, relating to state holidays to limit all election days as a state holiday to individuals who vote in an election by mail at an absentee polling place on an election day due to necessity or requirement merits further discussion as this measure moves through the legislative process. Specifically, consideration should be given to whether the state holiday designation for election days should be repealed, in whole or in part, to reflect the implementation of an election by mail system.

Your Committee has amended this measure by:

- (1) Deleting its contents and replacing it with language from S.B. No. 2496, S.D. 2 (Regular Session of 2016), a similar measure, which:
 - (A) Establishes a two-phase election by mail system with the Office of Elections implementing elections by mail in a county with a population of less than 100,000, beginning with the 2018 primary election, and implementing elections by mail in each of the other counties for all elections, beginning with the 2020 primary election;
 - (B) Clarifies that a registered voter may request an absentee ballot or permanent absentee ballot in lieu of receiving an election by mail ballot if the registered voter is in a county that has not yet implemented elections by mail and establishing that an absentee ballot-only election may continue to be conducted;
 - (C) Establishes an elections by mail system, including requirements for ballots, replacement ballots, deficient return of ballots, ballot counting, voter service centers, places of deposit, and election expenses and responsibilities;
 - (D) Establishes procedures for postponed elections;
 - (E) Makes conforming amendments to existing laws relating to elections to reflect and implement an elections by mail system;
 - (F) Allows for the electronic transmission of mail-in ballots under certain circumstances;
 - (G) Allows permanent absentee voters to request that their ballots be temporarily forwarded to another address in or outside of the State for a single election or a primary or special primary election and the election immediately following it;
 - (H) Appropriates funds for the implementation and administration of the elections by mail system;
 - (I) Requires the Office of Elections to submit a report to the Legislature prior to the convening of each Regular Session from 2017 until 2023, regarding the implementation and administration of the election by mail program; and
 - (J) Takes effect on July 1, 2016;
- (2) Adopting the language suggested by the Office of the City Clerk to amend Act 166, Session Laws of Hawaii 2014, to:
 - (A) Clarify that on the day of the election, an election official shall be designated to serve as a registration clerk at each of the polling places in the county; and
 - (B) Clarify that the registration clerk is required to accept, rather than process, voter registration applications for any person not registered to vote;
- (3) Inserting an effective date of January 1, 2018, for the amendments made to Act 166, Session Laws of Hawaii 2014; 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. 1653, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1653, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, 1 (Slom). Excused, 2 (Gabbard, Kim).

SCRep. 3089 Judiciary and Labor on H.B. No. 2245

The purpose and intent of this measure is to amend the offense of animal desertion to:

- (1) Clarify that a violation of animal desertion is subject to a fine of \$1,000 in addition to any other penalties;

- (2) Establish that if, as a result of the desertion, the animal suffers death or substantial bodily injury, or causes the death or injury of livestock, the person is guilty of a misdemeanor and subject to a fine of \$2,000 in addition to any other penalties;
- (3) Establish that each violation is a separate offense; and
- (4) Create an exemption for the release of any animal as part of a population management program.

Your Committee received testimony in support of this measure from the Department of Agriculture, The Humane Society of the United States, Poi Dogs & Popoki, Hawaiian Humane Society, Animal Rights Hawai'i, and four individuals. Your Committee received comments on this measure from the Department of the Attorney General and Department of Land and Natural Resources.

Your Committee finds that pets depend on people for care and compassion. When these pets are abandoned, they can become victims of starvation, disease, injury, death, and cruelty by humans. Abandoned pets have also been known to harm native wildlife. By increasing the penalties for violating the animal desertion law, this measure encourages pet owners to find a home for their pets or surrender their pets to local shelters and rescue groups rather than abandon their pets.

Your Committee notes that this measure amends chapter 143, Hawaii Revised Statutes (HRS), which relates to the licensing and regulation of dogs. Your Committee believes that the statutory placement merits further discussion as this measure moves through the legislative process - specifically, whether this measure should apply to pet animals as defined under section 711-1100, HRS, any animal that a person may own as a pet, or any animal, including wildlife.

Your Committee notes the concerns regarding the enforceability of this measure expressed in the testimony submitted by the Department of the Attorney General.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the language suggested by the Department of the Attorney General that amends section 143-2.6, HRS, to:
 - (A) Clarify that it is unlawful for the owner of any animal or any person in possession of an animal to desert that animal;
 - (B) Include a fine of at least \$1,000 in addition to other penalties for the existing petty misdemeanor offense for animal desertion;
 - (C) Establish a misdemeanor offense and a fine of at least \$2,000 in addition to other penalties when an animal is deserted and the person who deserted the animal recklessly causes the death of or substantial bodily injury to the animal or the deserted animal subsequently causes the death or injury of livestock;
 - (D) Establish a separate offense for each animal deserted that suffers death or substantial bodily injury;
 - (E) Create an exemption for animal population control or animal surrender; and
 - (F) Add the definition of "desert";
- (2) Clarifying that the exemption applies to the surrender of an animal to a society or organization formed for the prevention of cruelty to animals or similar animal protection program;
- (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. 2245, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2245, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kim).

SCRep. 3090 (Joint) Judiciary and Labor and Government Operations on H.B. No. 2247

The purpose and intent of this measure is to require the State and counties to pay the approved travel costs incurred by respective officers or employees for official state or county business directly to either the vendor providing the goods or services or the officer or employee by cash advance prior to the date of purchase.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and eight individuals.

Your Committees find that it is financially difficult for many state and county employees to shoulder the burden of pre-paying for work-related travel. There have been instances where a state or county employee has had to wait for six months to be reimbursed for work-related travel. Implementation of this measure will provide better assurance that state and county employees will not have to carry personal debt on behalf of the State or county.

Your Committees have amended this measure by authorizing, rather than requiring the State and counties to pay the approved travel costs incurred by respective officers or employees for official state or county business directly to either the vendor providing the goods or services or the officer or employee by cash advance prior to the date of purchase.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2247, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2247, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3091 (Majority) Judiciary and Labor on H.B. No. 2473

The purpose and intent of this measure is to increase the maximum penalties for government contractors who violate the State's wages and hours law for employees on public works to:

- (1) A penalty equal to ten percent of the amount of back wages due and \$1,000 per offense, for the first violation; and
- (2) A penalty equal to the amount of back wages due and \$10,000 for each offense, for the second violation within two years of the first notification of violation.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawai'i Construction Alliance, and Pacific Resources Partnership. Your Committee received testimony in opposition to this measure from the Building Industry Association of Hawaii; Chamber of Commerce Hawaii; Hawaiian Dredging Construction Company, Inc.; Healy Tibbitts Builders, Inc.; Isemoto Contracting Co. Ltd.; Jade Painting, Inc.; Lindemann Construction Inc.; Oahu Plumbing & Sheet Metal, Ltd.; Ralph S. Inouye Co., Ltd.; Robert M. Kaya Builders, Inc.; Royal Contracting; S & M Sakamoto, Inc.; SimplexGrinnell; General Contractors Association of Hawaii; and Subcontractors Association of Hawaii.

Your Committee finds that the existing penalties for government contractors who violate the State's wages and hours law for employees on public works, codified as chapter 104, Hawaii Revised Statutes, are insufficient in deterring certain contractors from underpaying employees. When contractors comply with chapter 104, Hawaii Revised Statutes, there is a level playing field for bidding on state and county projects. Implementation of this measure assists the Department of Labor and Industrial Relations in enforcing chapter 104, Hawaii Revised Statutes, and encourages government contractors to comply with the law.

Your Committee further finds that the existing administrative remedies do not differentiate between inadvertent bookkeeping mistakes and willful underpayment of employees. Affording the Department of Labor and Industrial Relations the discretion to issue a more appropriate fine not only restores an employee's lost wages, but also punishes intentional misconduct when appropriate.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2723, S.D. 1, Regular Session of 2016, a substantially similar measure, which increases the maximum penalties for government contractors who violate the State's wages and hours law for employees on public works to:
 - (A) A penalty that is equal to ten percent of the amount of back wages due or \$1,000 per offense, whichever is greater, for the first offense; and
 - (B) A penalty equal to the amount of back wages due or \$10,000 for each offense, whichever is greater, for the second offense;
- (2) Authorizing, rather than requiring, the Department of Labor and Industrial Relations to assess the penalties; and
- (3) Inserting language to limit the penalties to ten percent of the amount of back wages due and up to \$1,000 per first offense; and ten percent of the amount of back wages due and up to \$10,000 per second offense.

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. 2473, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2473, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 3092 Higher Education and the Arts on H.B. No. 539

The purpose and intent of this measure is to assist the University of Hawaii with complying with the federal requirements of Title IX by, among other things:

- (1) Requiring the University of Hawaii at Manoa Athletics Department to be a separate program identification number in the state budget;
- (2) Requiring that funds be transferred to the University of Hawaii at Manoa Athletics Department for scholarship expenses;
- (3) Prohibiting the allocation of general funds to the University of Hawaii at Manoa Athletics Department, except for federal Title IX compliance; and
- (4) Requiring the University of Hawaii at Manoa men's teams to be fiscally self-sufficient.

Your Committee received testimony in support of this measure from the University of Hawaii System, Soundtable Entertainment Inc., and one individual.

Your Committee finds that in addition to providing the State with pride in its University, the intercollegiate athletics program of the University of Hawaii provides the State with opportunities to promote the culture and appeal of Hawaii. Your Committee further finds that the visibility of the University's athletes and athletic teams throughout the country and the world correspondingly promotes the visibility of Hawaii, which provides a tangible benefit to the State's tourism industry. Your Committee therefore finds appropriating funds from the tourism special fund for travel expenses and subsidies incurred by the intercollegiate athletics program of the University of Hawaii is a creative way to support University of Hawaii athletics while promoting Hawaii as a premier tourist destination.

As such, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 83, S.D. 1, which:

- (1) Makes an appropriation from the tourism special fund for fiscal year 2016-2017 for travel expenses and subsidies incurred by the intercollegiate athletics program of the University of Hawaii;
- (2) Requires the Governor to determine whether the funding for the travel expenses and subsidies should continue beyond fiscal year 2016-2017; and
- (3) Requires the Governor to take appropriate action to implement any determination that such funding should be extended beyond fiscal year 2016-2017.

Your Committee further amended this measure by inserting an effective date of July 1, 2016.

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. 539, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 539, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3093 Higher Education and the Arts on H.B. No. 1608

The purpose and intent of this measure is to appropriate funds to the University of Hawaii for the Graduation Pathway System for fiscal year 2016-2017.

Your Committee received testimony in support of this measure from the University of Hawaii, Soundtable Entertainment Inc., and one individual.

Your Committee finds that the University of Hawaii's Graduation Pathway System helps guide students toward timely graduation and expands the University's capacity to track and advise students in their progress toward graduation.

Your Committee has amended this measure by inserting an effective date of July 1, 2025, 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 H.B. No. 1608, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1608, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3094 Higher Education and the Arts on H.B. No. 1703

The purpose and intent of this measure is to appropriate funds for the University of Hawaii at Manoa to hire psychologists and case managers to improve student mental health treatment and services.

Your Committee received testimony in support of this measure from the University of Hawai'i System, University of Hawai'i at Manoa Graduate Student Organization, Associated Students of the University of Hawai'i, University of Hawai'i Student Caucus, NuWayve Unlimited, and five individuals.

Your Committee finds that university students often face complex challenges in their personal and academic lives, resulting in increased anxiety, stress, and destructive and harmful thoughts. This measure will help alleviate the current heavy workload of therapists at the University of Hawaii at Manoa and increase the University's ability to reach out to more students through proactive educational efforts.

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. 1703, H.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3095 Higher Education and the Arts on H.B. No. 2492

The purpose and intent of this measure is to support the Department of Theatre and Dance at the University of Hawaii at Manoa by appropriating funds for:

- (1) One full-time equivalent tenure track professor (1.0 FTE) in the Hawaiian theatre program;
- (2) Two full-time staff positions (2.0 FTE), one of whom shall serve the Department's costume shop, and one of whom shall serve the Department's scene shop;
- (3) The hiring of guest artists and instructors;
- (4) The Department's Asian theatre program; and
- (5) Production support, including basic shop supplies.

Your Committee received testimony in support of this measure from Soundtable Entertainment Inc.; and seventy-two individuals.

Your Committee finds that the Department of Theatre and Dance at the University of Hawaii at Manoa culturally enriches students of the University, State residents, and many others around the world. Your Committee further finds that the staff of the Department of Theatre and Dance have found resourceful ways to maximize their limited budget, and is likely to continue to use its resources effectively.

Your Committee has amended this measure by inserting an effective date of July 1, 2025, 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 H.B. No. 2492, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2492, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Kidani).

SCRep. 3096 Commerce, Consumer Protection, and Health on H.B. No. 2233

The purpose and intent of this measure is to:

- (1) Require certain classes of health care professionals, as determined by the Director of Health, to attend an annual continuing education course developed by the Department of Health on health issues that are unique to the State; and
- (2) Require every laboratory director or health care provider to provide the Director of Health with an electronic mail address for the purpose of enabling the Department of Health to provide public health information on communicable or dangerous diseases or conditions in the State.

Your Committee received testimony in support of this measure from the American College of Physicians, Hawaii Chapter. Your Committee received testimony in opposition to this measure from the Hawaii Medical Board; Hawaii Medical Association; Hawai'i Pacific Health; Healthcare Association of Hawaii; American College of Emergency Physicians, Hawaii Chapter; Hawai'i Academy of Family Physicians; and two individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Department of Health.

Your Committee finds that the recent dengue fever epidemic on the island of Hawaii has demonstrated the importance of rapid dissemination of information to physicians and the public to combat emergency infectious diseases. It would be useful to create and maintain a system for active information sharing from the Department of Health to practicing physicians and other health care professionals. This system would enable the Department of Health to send out currently relevant information about diseases and reporting requirements in an efficient and timely manner.

Your Committee notes that an appropriate effective date for this measure would be upon approval; provided that data collection of electronic mail addresses shall begin with affected licenses beginning after July 1, 2017.

Your Committee has amended this measure by:

- (1) Deleting language that would have required certain classes of health care professionals, as determined by the Director of Health, to attend an annual continuing education course developed by the Department of Health on health issues that are unique to the State;
- (2) Inserting language requiring the laboratory data that a laboratory director shall report to the Department of Health regarding an individual affected by or suspected of being affected by a communicable or dangerous disease or condition to include the individual's complete demographic information;
- (3) Deleting language that would have required every laboratory director or health care provider to provide the Director of Health with an electronic mail address for the purpose of enabling the Department of Health to provide public health information on communicable or dangerous diseases or conditions in the State;
- (4) Inserting language that requires every physician, osteopath, physician's assistant, advanced practice registered nurse, or naturopath to provide the licensing authority with a current electronic mail address at the time of application for licensure and renewal;
- (5) Inserting language that allows the licensing authority of certain health care professional classes to share the electronic mail addresses with only other state or federal agencies, upon request, for purposes of public health and safety and to use the electronic mail addresses for any purpose related to the license; and
- (6) 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2233, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2233, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3097 Commerce, Consumer Protection, and Health on H.B. No. 2017

The purpose and intent of this measure is to:

- (1) Allow physicians to submit workers' compensation treatment plans to employers by certified mail or facsimile;

- (2) Beginning January 1, 2021, allow physicians to submit workers' compensation treatment plans to employers by facsimile, secure web portal, or secure electronic mail; and
- (3) Specify requirements for receipt and acceptance of treatment plans, including requiring employers to accept electronically submitted treatment plans and provide an electronic receipt of the submission.

Your Committee received testimony in support of this measure from the Hawaii Medical Association, Hawaii Insurers Council, and three individuals. Your Committee received testimony in opposition to this measure from the Department of Human Resources of the City and County of Honolulu. 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 State's existing system, which requires physicians to submit treatment plans in workers' compensation claims, is in need of modernization, given the many advancements in technology. Providing physicians with options, including facsimile and electronic means, for the transmittal of treatment plans will improve the efficiency and responsiveness of all parties in Hawaii's workers' compensation system.

However, your Committee has heard the concerns that some employers, including certain government departments and agencies, may lack the technology to comply with the proposed requirement under this measure for an automatic electronic receipt as evidence of receipt of a submitted treatment plan. Amendments to this measure addressing these concerns are therefore necessary. After additional discussion with the Department of Labor and Industrial Relations, your Committee also notes that amendments to this measure are necessary to clarify available options for the transmission of treatment plans to an employer.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that a physician may transmit a treatment plan by certified mail or facsimile, and requiring a physician to send the treatment plan to an address or facsimile number as directed by an employer;
- (2) Clarifying that beginning January 1, 2021, a physician may transmit a treatment plan by certified mail, in addition to facsimile or electronic means, and requiring a physician to send the treatment plan to an address, facsimile number, or electronic mail address as directed by an employer;
- (3) Deleting language that would have required employers to provide an automatic electronic receipt upon receipt of the submitted treatment plan;
- (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.

Your Committee notes that certain concerns raised in testimony before your Committee may warrant further discussion by your Committee on Judiciary and Labor. Your Committee also notes that the Department of Labor and Industrial Relations has indicated a willingness to continue discussions on this amended measure with interested stakeholders.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2017, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2017, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Ihara, Ruderman). Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3098 Higher Education and the Arts on H.B. No. 1894

The purpose and intent of this measure is to clarify that under the Hawaii post-secondary education authorization program, when an institution ceases to operate, the student transcripts shall be kept permanently in a form prescribed by the Director of Commerce and Consumer Affairs and that other records requested and obtained by the Department of Commerce and Consumer Affairs may be disposed of at the Director's discretion.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that existing law requires the Department of Commerce and Consumer Affairs to permanently retain any student transcripts received from an institution that has ceased to operate. Other records obtained from such an institution must be retained for ten years. Your Committee further finds that if a closing institution deposits its records in paper format, the Department may be constrained by space and funding limitations and may be unable to receive and retain these records. The Department recognizes the importance of retaining student transcripts and other student records, but it has concerns that an institution may indiscriminately transfer large quantities of records into the Department's possession during the closure process. Accordingly, this measure authorizes the Department and Director to use its discretion in how student transcripts will be retained and how long other student records will be retained. This will enable the Hawaii post-secondary education authorization program to carry out its responsibilities more effectively.

Your Committee has amended this measure by making it effective upon its approval.

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. 1894, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1894, H.D. 1, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3099 Higher Education and the Arts on H.B. No. 2224

The purpose of this measure is to provide additional resources to the University of Hawaii Pamantasan Council to help the State and University of Hawaii meet strategic goals for greater access to and diversity in higher education by appropriating funds for four full-time equivalent positions for the system-wide Pamantasan Council, including instructional faculty, student personnel, and graduate assistantships.

Your Committee received testimony in support of this measure from the University of Hawaii System; University of Hawaii Pamantasan Council; Filipino American Citizens League; Filipinos for Affirmative Action; Nursing Advocates & Mentors, Inc.; Asian American Network for Cancer Awareness, Research and Training; and ten individuals. Your Committee received comments on this measure from one individual.

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. Only twelve percent of the students in the entire University of Hawaii System student population are of Filipino ancestry. 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.

Your Committee has amended this measure by:

- (1) Inserting a blank amount of authorized full-time equivalent positions; 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 H.B. No. 2224, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2224, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 3100 (Joint) Water, Land, and Agriculture and Government Operations on H.B. No. 1749

The purpose and intent of this measure is to amend the goals of the Hawaii Water Plan to include the attainment of one hundred percent utilization of reclaimed water in all state facilities.

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 and City and County of Honolulu Department of Design and Construction.

Your Committees find that water is a vital resource that must be conserved. Your Committees further find that there are numerous state facilities scattered throughout the islands that are not proximal to a wastewater reclamation facility or the service areas of existing recycled water distribution systems. Therefore, in order to achieve attainment of one hundred percent utilization of reclaimed water, as proposed by this measure, reclaimed water would need to be trucked in to each facility on a regular basis or separate dual water systems or many new wastewater reclamation facilities would have to be constructed throughout the State, which would be extremely costly.

Your Committees have therefore amended this measure by:

- (1) Amending the goals of the Hawaii Water Plan to include the attainment of increased utilization of reclaimed water in all state facilities, where feasible, rather than one hundred percent utilization for all state facilities; and
- (2) Making it effective upon its approval.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1749, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1749, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Riviere, Shimabukuro, Wakai).
Government Operations: Ayes, 5. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3101 (Joint) Water, Land, and Agriculture and Government Operations on H.B. No. 1750

The purpose and intent of this measure is to require the State and counties to consider storm water management in the development of the Hawaii Water Resource Protection Plan.

Your Committees received testimony in support of this measure from the Hawai'i Farm Bureau and two individuals. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources.

Your Committees find that increased storm events followed by prolonged droughts make management of storm water as a resource an important part of addressing Hawaii's need for water. Storm water capture, reuse, and reclamation for augmenting and conserving Hawaii's fresh water supplies are necessary to ensure the State's fresh water supply meets current and future demand.

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 Water, Land, and Agriculture and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1750, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1750, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Shimabukuro, Wakai).

Government Operations: Ayes, 5. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3102 (Joint) Judiciary and Labor and Government Operations on H.B. No. 2008

The purpose and intent of this measure is to prohibit the State from hiring any person for more than two terms of eighty-nine consecutive days during that person's lifetime in a position that is wholly funded by general funds, with limited exceptions.

Your Committees received testimony in support of this measure from the Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committees received testimony in opposition to this measure from the Department of Accounting and General Services; Department of Agriculture; Department of Business, Economic Development, and Tourism; Department of Education; Department of Health; Department of Hawaiian Home Lands; Department of Land and Natural Resources; Office of Enterprise Technology Services; Department of Public Safety; Hawaii State Ethics Commission; Hawaii Health Systems Corporation; Department of the Attorney General; and one individual. Your Committees received comments on this measure from the Department of Human Resources Development and University of Hawai'i System.

Your Committees find that state departments often use eighty-nine day term hires to fill positions and that several state departments have extended the terms of eighty-nine day term hires multiple times. As a result, these employees are denied collective bargaining rights and benefits. Implementation of this measure will provide better assurance that employees of the State receive the appropriate benefits.

Your Committees have amended this measure by:

- (1) Specifying that the State is prohibited from temporarily hiring or contracting the services of any person pursuant to section 76-77(8), Hawaii Revised Statutes, for more than an unspecified number of terms of ninety consecutive days, rather than two eighty-nine consecutive day terms;
- (2) Deleting language restricting the limit to the lifetime of the person;
- (3) Deleting the exemption to the limit of ninety-day consecutive terms for bona fide employees held over after retirement for training purposes with a training plan that is filed with the Department of Human Resources Development; and
- (4) Inserting an effective date of January 7, 2059.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2008, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2008, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4; Ayes with Reservations (Shimabukuro). Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

Government Operations: Ayes, 4; Ayes with Reservations (Shimabukuro). Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3103 (Joint) Judiciary and Labor and Government Operations on H.B. No. 2015

The purpose and intent of this measure is to:

- (1) Exempt certain procurements of the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) from the state procurement code;
- (2) Specify the fiduciary duties of EUTF trustees;
- (3) Amend the composition, appointing authorities, vacancy-filling procedure, and quorum requirements of the EUTF Board of Trustees;
- (4) Authorize the establishment of a sub-board of the EUTF Board of Trustees to administer contributions and benefits of a particular bargaining unit if the exclusive bargaining representative negotiates a specific contribution to apply to only that bargaining unit;
- (5) Authorize the EUTF Board of Trustees to appoint attorneys independent of the Attorney General; and
- (6) Amend the administration of EUTF monies and transfer control of EUTF from the Department of Budget and Finance to the Office of Collective Bargaining.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Fire Fighters Association, IAFF Local 1463, AFL-CIO; and University of Hawaii Professional Assembly. Your Committees received testimony in opposition to this measure from the Department of Budget and Finance and Department of the Attorney General. Your Committees received comments on this measure from the Office of Collective Bargaining and State Procurement Office.

Your Committees find that there is concern regarding the operation of the EUTF and reforms are necessary to control costs, encourage preventive care, implement wellness programs, and provide information on provider performance and efficiency. Implementation of this measure will help reduce some of the concerns associated with the operation of the EUTF.

Your Committees have amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2434, S.D. 1, Regular Session of 2016, which:
 - (A) Amends the composition, appointing authorities, and quorum requirements of the EUTF Board of Trustees; and
 - (B) Has an effective date of January 7, 2059; 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 Judiciary and Labor and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2015, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2015, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Gabbard, Kahele).

Government Operations: Ayes, 6. Noes, none. Excused, 1 (Tokuda).

SCRep. 3104 Education on H.B. No. 2524

The purpose and intent of this measure is to:

- (1) Ensure a fair allocation of funds meant to benefit students who attend public schools established and maintained by the Department of Education and students who attend public charter schools by mandating that incentive bonuses shall not be paid from per-pupil funds; and
- (2) Appropriate funds for placement bonuses for public charter school teachers in certain designated schools and national board certification incentive program bonuses.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii State Teachers Association, Ho'okāko'o Corporation, Hawaii Public Charter School Network, Kamehameha Schools, and Office of Hawaiian Affairs. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that national board certification is widely viewed as the gold standard of teaching certification. Placing and retaining national board certified educators in Hawaii's schools, particularly those designated as hard to fill, benefits the State's students and the public in general and existing law provides for bonuses to board certified teachers placed in such schools. These incentive bonuses have historically not been calculated into the funds provided to charter schools each year by the State, which places an undue financial burden on charter schools and makes it difficult for them to retain highly qualified teachers and maintain a balanced budget. Your Committee further finds that some charter schools require more incentive bonus funds than others and that the funding request for these funds should specify the amount allocated to each charter school.

Your Committee has amended this measure by requiring, beginning with the 2017-2018 fiscal year, that the funding request for teacher incentive bonuses be a separate budget line item in each charter school's funding request.

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. 2524, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2524, H.D. 1, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 3105 Education on H.B. No. 1228

The purpose and intent of this measure is to require the Department of Education to provide a monetary bonus to each teacher that meets all of the requirements to add the "teacher leader" field to their existing standard or advanced teaching license.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii Teacher Standards Board, Hawaii State Teachers Association, and thirty-three individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that approximately ten percent of teachers in Hawaii switch schools, relocate, or leave the profession each year, and that only fifty to sixty percent of current teachers have worked at their school for five years or more. As a result of this chronic turnover, the Department of Education must rely on emergency hires and long term substitute teachers, which has a negative impact on the consistency and quality of the learning environment for the State's students. Your Committee further finds that the "teacher leader" licensing field may be awarded to a teacher who fulfills a leadership role for at least four semesters within five years while meeting an additional qualification, such as completing a preparation program in teacher leadership or receiving a license, certificate, or endorsement from another state as a teacher leader. Providing a monetary incentive for the teacher leader license program will encourage Hawaii's teachers to further develop valuable leadership skills and convey the benefits of those skills to students in the State's schools on a more continuous basis. However, your Committee also finds that awarding a yearly bonus to teacher leaders may be beyond the resources of the Department.

Your Committee has amended this measure by:

- (1) Changing the bonus amount from an unspecified amount to \$5,000; and
- (2) Clarifying that the teacher leader incentive is a one time monetary bonus.

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. 1228, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1228, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

SCRep. 3106 (Joint) Education and Transportation and Energy on H.B. No. 2569

The purpose and intent of this measure is to accelerate the goals of the Department of Education (Department) to cool Hawaii's schools, reduce energy costs, meet Hawaii's clean energy goals, and provide all students with better classrooms in which to learn by:

- (1) Requiring the Department to establish a goal of becoming net-zero with respect to energy use by January 1, 2035;
- (2) Requiring the Department to establish in each county at least one microgrid pilot project at public schools that also serve as emergency shelters;
- (3) Requiring the Department to expedite the cooling of all public school classrooms to a temperature acceptable for student learning; and
- (4) Authorizing the issuance of general obligation bonds and the use of funds from the green infrastructure loan program to implement cooling measures in public school classrooms.

Your Committees received testimony in support of this measure from the Department of Education; Board of Education; Department of Defense; Department of Business, Economic Development, and Tourism; Hawaii State Teachers Association; IMUAlliance; Hawaii Green Infrastructure Authority; and one individual. Your Committees received comments on this measure from the Department of Budget and Finance and Hawaiian Electric Company, Inc.

Your Committees find that overheating in school classrooms causes serious health risks to teachers and students. Air conditioning and other heat abatement measures are necessary in public school classrooms throughout the State not only to minimize health risks, but also to provide an appropriate learning environment. In order to mitigate the costs of air conditioning and heat abatement, energy efficient lighting and other energy efficiency measures will also be necessary.

Your Committees further find that, in order to have as many effective heat abatement measures as possible in place before the hottest months, this project must proceed quickly. Your Committees note that your Committee on Ways and Means has previously considered this issue in S.B. No. 3126, S.D.1., Regular Session of 2016, and subsequently passed that measure with amendments.

Your Committees have amended this measure by deleting its contents and inserting the contents of S.B. No. 3126, S.D.2, Regular Session of 2016, which:

- (1) Makes an emergency appropriation for the installation of and equipment for air conditioning, heat abatement, energy efficient lighting, and other energy efficiency measures for schools of the Department of Education; and
- (2) Authorizes general obligation bond funds to the Department of Education and appropriates the revenue derived therefrom for the installation of and equipment for air conditioning, heat abatement, energy efficient lighting, and other energy efficiency measures.

Your Committees further amended the 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 Education and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2569, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2569, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, Harimoto, Slom).

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3107 (Joint/Majority) Education and Commerce, Consumer Protection, and Health on H.B. No. 2269

The purpose and intent of this measure is to:

- (1) Expand the National Board Certification Incentive Program to include school psychologists and to provide greater monetary incentives for this profession; and
- (2) Authorize continuing monetary bonuses for public school teachers and school psychologists in certain designated schools that improve and no longer carry a certain designation.

Your Committees received testimony in support of this measure from the Hawaii State Teachers Association, Hawaii Association of School Psychologists, and two individuals. Your Committees received comments on this measure from the Department of Education and Hawaii School Counselor Association.

Your Committees find that national board certified education professionals are critical to the learning growth of Hawaii's students. Existing law provides for bonuses for board national certified teachers who work in schools that are designated to have certain needs. Your Committees further find that there is a shortage of qualified school psychologists in many of Hawaii's school complex areas, and

that opportunities for board certified teacher bonuses should also be extended to school psychologists. However, your Committees also find that the ten year national board certification period for teachers and the Department of Education's budgetary constraints make it unfeasible to pay bonuses to teachers for the full period of their certification once the school where they work no longer carries a certain designation.

As such, your Committees have amended this measure by:

- (1) Removing teachers from the type of public school employees eligible to receive yearly bonuses in certain designated schools that improve and no longer carry a certain designation; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2269, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2269, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Dela Cruz, Harimoto, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, 1 (Slom). Excused, 1 (Ruderman).

SCRep. 3108 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs and Economic Development, Environment, and Technology on H.B. No. 2165

The purpose and intent of this measure is to:

- (1) Make appropriations to the Department of Health to hire employees and consultants and to install monitor wells to test the groundwater aquifer underneath and surrounding the Red Hill fuel storage facility; and
- (2) Require the Department of Health to annually report on the Navy and Defense Logistics Agency's compliance with the Administrative Order on Consent to evaluate and remediate environmental damage from fuel leaks at the Red Hill fuel storage facility.

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, Conservation Council for Hawai'i, Sierra Club of Hawai'i, and one individual. Your Committees received comments on this measure from the Navy Region Hawaii.

Your Committees find that the Red Hill bulk fuel storage facility is an important symbol of Hawaii's integral role in United States military operations. The facility is under the sole control of the United States Navy and has held fuel for the United States Navy since the 1940s. However, the facility has a history of fuel being released through leaks from the storage tanks, which can affect the nearby groundwater in the area.

Your Committees further find that in response to fuel releases from the facility, United States Navy, United States Defense Logistics Agency, United States Environmental Protection Agency, and Department of Health negotiated an enforceable agreement that establishes a timeframe for the United States Navy and United States Defense Logistics Agency to evaluate and remediate existing contamination to the extent practicable in the vicinity of the Red Hill bulk fuel storage facility, as well as to evaluate and implement measures to prevent future releases. However, due to the lack of certainty inherent in the Administrative Order on Consent's schedule of work, the State has an urgent public health interest in monitoring the United States Navy and the United States Defense Logistics Agency's compliance with the Administrative Order on Consent.

Your Committees note that the United States Navy has indicated in its testimony that it has committed to begin installation of four additional monitoring wells to the north, west, and south of the Red Hill fuel storage facility in 2016; therefore, the appropriation in this measure for the siting and installation of two monitor wells to test the condition of the groundwater aquifer underneath and surrounding the Red Hill fuel storage facility is unnecessary.

Your Committees further note that to ensure the safety of Oahu's drinking water supply, the Governor's executive supplemental budget requests a minimum of three full-time equivalent (3.0 FTE) positions, including an engineer, geologist, and environmental health specialist, as well as a minimum appropriation of \$300,000 for operations. While your Committees support all of the appropriations in this measure, your Committees prefer that the appropriations for the three full-time equivalent (3.0 FTE) positions be included in the executive supplemental budget rather than this measure.

Your Committees have amended this measure by:

- (1) Clarifying findings that specify that fuel being released through leaks from the storage tanks at the Red Hill fuel storage facility can affect the nearby groundwater in the area;
- (2) Deleting language that would have appropriated funds for the siting and installation of two monitor wells to test the condition of the groundwater aquifer underneath and surrounding the Red Hill bulk fuel storage facility;
- (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 Commerce, Consumer Protection, and Health, Public Safety, Intergovernmental, and Military Affairs, and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2165, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2165, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Espero, Ihara).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Espero, Inouye).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Espero, Galuteria, Ihara, Keith-Agaran).

SCRep. 3109 (Joint) Hawaiian Affairs and Judiciary and Labor on H.B. No. 2736

The purpose and intent of this measure is to require that Hawaiian language ballots be made available in each election upon voter request.

Your Committees received testimony in support of this measure from Kamehameha Schools and six individuals. Your Committees received comments on this measure from the Office of Elections, Aha Punana Leo, and two individuals.

Your Committees find that this measure will promote the Hawaiian language by establishing its use in an important part of many Hawaii residents' lives.

Your Committees have amended this measure by changing its effective date to upon its approval.

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 are in accord with the intent and purpose of H.B. No. 2736, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2736, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (English, Kim).

Judiciary and Labor: Ayes, 6. Noes, none. Excused, 1 (Kaehele).

SCRep. 3110 (Joint) Housing and Education on H.B. No. 2510

The purpose and intent of this measure is to authorize the Hawaii Housing Finance and Development Corporation to establish a housing voucher program for full-time classroom teachers employed by the Department of Education, including classroom teachers at public charter schools.

Your Committees received testimony in support of this measure from the Department of Education, Hawaii Housing Finance and Development Corporation, Special Education Advisory Council, Hawaii State Teachers Association, and four individuals.

Your Committees find that Hawaii's high cost of living hinders teacher recruitment and retention, as approximately ten percent of Hawaii's teachers switch schools, relocate, or leave the profession each year. As the cost of rent continues to rise, many teachers, who are earning well below their counterparts in states like California and New York, are forced to work second and third jobs to make ends meet. This measure would assist teachers in attaining and maintaining stable housing, thereby increasing the attractiveness of the profession.

Your Committees have amended this measure by:

- (1) Clarifying that the housing voucher program is not limited to full-time classroom teachers, but to any full-time teacher employed by the Department of Education, including teachers at public charter schools; and
- (2) Clarifying that the Hawaii Housing Finance and Development Corporation shall work with the State Public Charter School Commission, in addition to the Department of Education, to develop a process to verify an applicant's status for the housing voucher program.

As affirmed by the records of votes of the members of your Committees on Housing and Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2510, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2510, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3111 Housing on H.B. No. 2744

The purpose and intent of this measure is to:

- (1) Increase the aggregate state housing credit dollar amount available for award annually;
- (2) Base the amount of the state low-income housing tax credit on whether or not a building is financed by tax-exempt bonds; and
- (3) Make the state low-income housing tax credit more valuable by shortening the term over which the credits are taken to five years.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii, Catholic Charities Hawai'i, Hawai'i Association of REALTORS, Building Industry Association of Hawaii, InState Partners, and one individual. Your Committee received comments on this measure from the Department of Taxation, Hawaii Housing Finance and Development Corporation, and Tax Foundation of Hawaii.

Your Committee finds that the development of low-income affordable housing is necessary to address the issue of homelessness and respond to the critical shortage of housing inventory in the community. Increasing the investment attractiveness of state low-income housing tax credits would generate more equity to finance the development of affordable rental housing projects.

Your Committee has amended this measure by:

- (1) Amending the state aggregate housing credit dollar amount to be allocated annually by the Hawaii Housing Finance and Development Corporation to be equal to the amount of federal credits allocated to the State;
- (2) Retaining the amount of state low-income housing tax credits available pursuant to section 235-110.8(c), Hawaii Revised Statutes, for qualified low-income buildings that receive an allocation prior to January 1, 2017;
- (3) Applying the amounts of state low-income housing tax credits for buildings based on tax-exempt bond financing status proposed by this measure to qualified low-income buildings that receive an allocation after December 31, 2016;
- (4) Changing the amounts of state low-income housing tax credits available for qualified low-income buildings that receive an allocation after December 31, 2016, to be equal to:
 - (A) For buildings not financed with tax exempt bonds, for the first five years, the amount of the federal applicable percentage of the qualified basis pursuant to the federal low-income housing tax credit; and
 - (B) For buildings financed with tax exempt bonds, for the first five years, twice the amount of the federal applicable percentage of the qualified basis pursuant to the federal low-income housing tax credit;
- (5) Inserting language at the suggestion of the Department of Taxation to limit state credits over a ten year period for buildings not financed with tax exempt bonds and buildings financed with tax exempt bonds;
- (6) Deleting provisions that established requirements for application of Internal Revenue Code sections related to at-risk rules and limitation of passive activity losses and credits; 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2744, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2744, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3112 Government Operations on H.B. No. 2053

The purpose and intent of this measure is to provide the State with greater flexibility in the procurement of certain goods and services by:

- (1) Establishing a special procurement process to address new or unique requirements of the State, as determined by the Chief Procurement Officer; provided that notice of solicitation under the special procurement process is given in the same manner as provided in section 103D-302(c), Hawaii Revised Statutes;
- (2) Requiring the head of a purchasing agency to include a written determination of the basis for the special procurement and the selection of the particular contractor in the contract file; and
- (3) Requiring the chief procurement officer to submit a report to the State Procurement Office and make the report available at least annually to the public.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Department of Agriculture, Department of Transportation, State Procurement Office, Chamber of Commerce Hawaii, Hawai'i Farm Bureau, Hawai'i Food Policy Council, Hawai'i Green Growth, Local Food Coalition, Ulupono Initiative, and one individual.

Your Committee finds that when unique or unusual circumstances arise in the public procurement process, the Hawaii Public Procurement Code does not provide the State with flexibility to respond in an effective, efficient, and timely manner. Exemptions from the Public Procurement Code are provided in many of these instances and result in goods and services being procured with minimal accountability. Implementation of this measure will provide the State with greater flexibility in the procurement of certain goods and services while maintaining the accountability and transparency afforded by the State Procurement Code.

Your Committee has amended this measure by:

- (1) Requiring the head of a purchasing agency to prepare a procurement plan to document the process that will be used and why the special process is more advantageous to the State than other procurement methods, and submit the plan to the Attorney General or Corporation Counsel for review to ensure compliance with applicable laws;
- (2) Requiring the head of a purchasing agency or a designee to electronically post, for at least one year, public notice of special procurement contracts within seven days of the contract award, and include the name of the person or organization receiving the award, dollar amount of the contract, and name of the head of the purchasing agency or designee making the selection;
- (3) Requiring the State Procurement Office to submit a report of any special procurement reports received from a Chief Procurement Officer to the Legislature no later than twenty days prior to the convening of each Regular Session; 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 H.B. No. 2053, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2053, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3113 Government Operations on H.B. No. 2027

The purpose and intent of this measure is to increase the capacity of the State's sewer, water, drainage, road, telecommunications, and broadband infrastructure by:

- (1) Establishing the infrastructure capacity construction loan revolving fund to provide loans to the counties, state agencies, and private developers for infrastructure improvements;
- (2) Appropriating funds to deposit into the infrastructure capacity construction loan revolving fund; and
- (3) Appropriating funds out of the infrastructure capacity construction loan revolving fund for loans to the counties, state agencies, or private developers for the costs of certain infrastructure improvements, and the implementation, administration, and coordination of the infrastructure capacity construction loan revolving fund.

Your Committee received testimony in support of this measure from the Department of Planning and Permitting, City and County of Honolulu; Hawai'i Association of REALTORS; Chamber of Commerce Hawaii; Land Use Research Foundation of Hawaii; American Society of Civil Engineers; and Building Industry of Hawaii. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the State's infrastructure has aged and been neglected over time, and now requires a significant capital improvement investment. The 2013 State Report Card on Infrastructure, prepared by the American Society of Consulting Engineers, indicated that there is a substantial amount of work necessary to improve the State's infrastructure. Implementation of this measure will improve and increase the State's infrastructure capacity and enable the State to accommodate future growth.

Your Committee has amended this measure by:

- (1) Limiting the infrastructure capacity construction loan revolving fund to loans for private developers to make infrastructure improvements to increase the capacity of the State's sewer, water, drainage, road, telecommunications, and broadband infrastructure, rather than the counties, state agencies, or developers;
- (2) Amending section 1 to reflect its amended purpose;
- (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 Government Operations that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2027, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2027, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3114 (Joint) Government Operations and Judiciary and Labor on H.B. No. 2477

The purpose and intent of this measure is to:

- (1) Limit the maximum number of civil service exempt positions administered by the Department of Human Resources Development within the Executive Branch, except the Department of the Attorney General;
- (2) Require the respective state agency directors to remove civil service exempt positions by a certain amount if the number of civil service exempt employees within the director's agencies exceed the maximum authorized percentage; and
- (3) Require the Director of the Department of Human Resources Development to report the number of civil service exempt employees administered by the Department of Human Resources Development within the Executive Branch.

Your Committees received testimony in support of this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committees received testimony in opposition to this measure from the Department of Budget and Finance, Department of Land and Natural Resources, Department of Agriculture, and Hawaii State Public Library System. Your Committees received comments on this measure from the Department of Human Resources Development; Department of Labor and Industrial Relations; Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Department of Hawaiian Home Lands; Department of Human Services; and Department of Taxation.

Your Committees find that state employees who are exempt from civil service do not have the same rights as civil service employees, and the State's merit-based civil service system is at risk due to the abundance of state positions that are exempt from civil service. Implementation of this measure will strengthen the State's civil service system and ensure that more state employees have access to the State's merit-based civil service system.

Your Committees have amended this measure by:

- (1) Reinserting the exemptions for the Department of Education, University of Hawaii, public charter schools, and Hawaii Health Systems Corporation; 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 H.B. No. 2477, H.D. 2, as amended herein,

and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2477, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 3115 (Joint) Economic Development, Environment, and Technology and Housing on H.B. No. 1397

The purpose and intent of this measure is to:

- (1) Add the definition of “qualified community development entity” to allow financing to be provided by the Hawaii Community-Based Economic Development Technical and Financial Assistance program through a structure that facilitates the use of federal new markets tax credits;
- (2) Expand the methods of delivering funding to a project by providing loans to capitalize a qualified community development entity and to provide guarantees or other credit enhancements that will facilitate private lenders’ participation in new markets tax credit financing; and
- (3) Adjust loan maximums and establish guarantees or credit enhancements to reflect current available funding and facilitate monetization of existing project assets for purposes of new markets tax credit financing.

Your Committees received testimony in support of this measure from Lāna‘i Community Health Center, Pacific Growth Associates, and La‘i‘opua 2020. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism and Department of Taxation.

Your Committees find that the Hawaii Community-Based Economic Development Technical and Financial Assistance program in the Department of Business, Economic Development, and Tourism acts as a functional, service-oriented agency that is readily available to provide business counseling, financial backing, and general support to the business community, nonprofit organizations, and other entrepreneurs to foster real community-based economic development for the various products and services demonstrating and embracing Hawaii’s diversified economy.

Your Committees further find that there are various programs provided by the federal government, nonprofit organizations, and foundations, as well as opportunities provided by public-private partnerships, that further support community-based economic development. The project funding provided by the program will be made more efficient and more effective if provided in the form most compatible with these programs and in the manner most suitable to optimize all sources of funding; therefore, some modifications are necessary to the types of financial products offered by the program and the manner in which those products are provided, along with an increase in the total amount that may be provided for an individual project and borrower.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1397, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Galuteria, Ruderman, Slom).

Housing: Ayes, 4. Noes, none. Excused, 3 (Galuteria, Green, Taniguchi).

SCRep. 3116 Economic Development, Environment, and Technology on H.B. No. 2289

The purpose and intent of this measure is to:

- (1) Amend the definition of “community-based organization” for purposes of the Hawaii community-based economic development technical and financial assistance program to delete the requirement that the organization be membership based;
- (2) Reduce the size of the Community-Based Economic Development Advisory Council from twelve to nine members;
- (3) Amend the qualifications for community-based economic development grants to include technical assistance to community-based organizations;
- (4) Update non-discrimination language applicable to a grant applicant; and
- (5) Appropriate funds to provide community-based economic development technical and financial assistance.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Pacific Growth Associates; and one individual.

Your Committee finds that community-based organizations in Hawaii play an important role in supporting economic development, education, health, and small businesses within their respective communities. This measure will allow more deserving groups to receive community-based economic development technical and financial assistance.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2289, H.D. 2, and recommends that it pass Second Reading and be referred to your 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 (Baker, Galuteria, Ihara).

SCRep. 3117 Economic Development, Environment, and Technology on H.B. No. 2486

The purpose and intent of this measure is to establish a Kapolei Jobs Initiative program to increase the number of jobs in Kapolei by creating incentives for businesses to establish themselves or relocate to the Kapolei region.

Your Committee received testimony in support of this measure from the Chamber of Commerce Hawaii; Land Use Research Foundation of Hawaii; Kapolei Chamber of Commerce; Hawai'i Construction Alliance; James Campbell Company LLC; Pacific Resource Partnership; Gentry Investment Properties; Hunt Development Group, LLC; Hawaii Laborers-Employers Cooperation and Education Trust; Avalon Group; International Union of Bricklayers and Allied Craftworkers Local #1 of Hawaii; Palehua Townhouse Association; Chuck E. Cheese's Hawaii; Hawaii Operating Engineers Industry Stabilization Fund; and twenty-four individuals. Your Committee received comments on this measure from the Department of Labor and Industrial Relations; Department of Taxation; Department of Business, Economic Development, and Tourism; and Tax Foundation of Hawaii.

Your Committee finds that job growth in the Kapolei region on Oahu is a matter of community and state concern that affects employers and employees alike as households continue to outgrow the number of employment opportunities in the region. Your Committee further finds that the state enterprise zone program is restrictive and participation in the program has been relatively low, particularly in the Leeward enterprise zone. Your Committee also finds that there is the potential for the Kapolei Jobs Initiative program to encourage businesses to close a location currently in business elsewhere on Oahu and relocate to the Kapolei region. Your Committee does not support the closure of current businesses and believes that the tax credit should only be available to those who open new businesses or new business locations in Kapolei.

Your Committee has amended this measure by:

- (1) Limiting the Kapolei Jobs Initiative income tax credit to five years, rather than ten years, including by changing the repeal date to December 31, 2021;
- (2) Specifying that the tax credit is available to a business that establishes itself or opens a new location within the Kapolei region, rather than a business that relocates;
- (3) Amending section 1 to reflect its amended purpose; 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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2486, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2486, H.D. 3, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 3118 Economic Development, Environment, and Technology on H.B. No. 2264

The purpose and intent of this measure is to make an appropriation to the High Technology Development Corporation for the provision of technology internship grants and development of programs to support the local talent pipeline for the technology industry.

Your Committee received testimony in support of this measure from the High Technology Development Corporation, Chamber of Commerce Hawaii, and Hawai'i Farm Bureau.

Your Committee finds that the High Technology Development Corporation is a key agency in developing the technology industry in the State. Your Committee further finds that internships have proven to be an effective way to introduce talent to careers in the technology industry and provide startup companies with resources to help them grow to the next level. Support of local talent is imperative to achieve the High Technology Development Corporation's goal of creating eighty thousand new technology and innovation jobs earning more than \$80,000 per year by 2030.

Your Committee has amended this measure by reducing the internship grant cap to \$1,250 per intern and \$2,500 per company per year.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2264, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2264, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Galuteria, Ihara, Ruderman, Thielen).

SCRep. 3119 Economic Development, Environment, and Technology on H.B. No. 2550

The purpose and intent of this measure is to appropriate funds to the Department of Business, Economic Development, and Tourism for the purpose of promoting, regulating, and administering the Made in Hawaii brand program.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; High Technology Development Corporation; Chamber of Commerce Hawaii; Hawai'i Farm Bureau; Meadow Gold Dairies; KYD, Inc., dba K. Yamada Distributors; and one individual. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee has amended this measure by:

- (1) Limiting the purpose of the appropriation to be for the Department of Business, Economic Development, and Tourism to work with the Department of Agriculture to promote its existing Made in Hawaii brand program; and
- (2) Amending section 1 to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2550, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2550, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Galuteria, Ihara, Ruderman, Thielen).

SCRep. 3120 Economic Development, Environment, and Technology on H.B. No. 2093

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for Goodwill Industries of Hawaii, Inc.

Your Committee received testimony in support of this measure from Goodwill Industries of Hawaii, Inc. and one individual. Your Committee received 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 Goodwill Industries of Hawaii, Inc., to finance capital improvements at the Beretania Street property. The anticipated capital improvements include the enclosure of much of the area exposed to the outdoors, create efficiencies in processing operations, and to provide a better environment for its employees and customers. 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.

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 Economic Development, Environment, and Technology that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2093, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2093, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

SCRep. 3121 (Joint) Economic Development, Environment, and Technology and Transportation and Energy on H.B. No. 2030

The purpose and intent of this measure is to prohibit the discharge of treated wastewater into state waters after December 31, 2049, except for wastewater used to create clean energy.

Your Committees received testimony in support of this measure from Larry Jefts Farms, LLC. Your Committees received testimony in opposition to this measure from the Department of Transportation, City and County of Honolulu Department of Design and Construction, Hawaiian Electric Company, and General Contractors Association of Hawaii. Your Committees received comments on this measure from the Department of Health.

Your Committees find that the State's waters are a precious resource that must be protected from pollutants. Your Committees further find that the term "wastewater" includes sources that may not be suitable for clean energy projects and may have the unintended effect of increased energy costs to consumers.

Your Committees have therefore amended this measure by replacing the term "treated wastewater" with "treated or raw sewage" and making conforming amendments.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2030, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2030, H.D. 1, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Baker, Galuteria, Ihara).

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3122 (Joint/Majority) Economic Development, Environment, and Technology and Tourism and International Affairs on H.B. No. 1847

The purpose and intent of this measure is to:

- (1) Establish the Sports and Entertainment Authority to undertake and expand on the objectives and responsibilities of the Stadium Authority; coordinate and develop a thriving entertainment and sports industry in the State, including maintaining oversight of Aloha Stadium and promoting, attracting, and engaging Hawaii as an entertainment and sports training and event destination for local, national, and international events; and develop state-of-the-art facilities for the benefit of professional, amateur, and youth athletes;
- (2) Provide opportunities for Hawaii residents and nonresidents to observe and participate in a variety of amateur and professional sporting and entertainment events; provide for the development of local and non-local athletic talent; and encourage active lifestyles and improve the health of Hawaii's keiki and adults;

- (3) Establish the sports and entertainment authority special fund to receive fees and other monies for administration, operation, maintenance, promotion, and management of Aloha Stadium and entertainment and sports development in the State;
- (4) Transfer powers and duties and funds from the Stadium Authority to the Sports and Entertainment Authority; and
- (5) Repeal chapter 109, Hawaii Revised Statutes, which includes repeal of the Stadium Authority, its duties and powers, and the stadium and Kapolei recreational sports complex special funds.

Your Committees received testimony in support of this measure from the Office of the Lieutenant Governor, Outrigger Hotels Hawaii, Chamber of Commerce Hawaii, and one individual. Your Committees received testimony in opposition to this measure from the Department of Accounting and General Services, Department of the Attorney General, Windward Ahupua'a Alliance, and three individuals. Your Committees received comments on this measure from the Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Office of Hawaiian Affairs; Hawai'i Tourism Authority; Stadium Authority; and Grassroot Institute of Hawaii.

Your Committees find that Hawaii's unique geographic location and natural landscape make it a prime location for ocean sports, training in different climates and elevations, and a centralized venue for attracting concerts; international rugby, soccer, and football; and other events. Hawaii has the potential to establish itself as a premier destination for entertainment and sporting events; however, the State needs to develop a comprehensive plan to ensure that Hawaii can sustain sport and entertainment events.

Your Committees have amended this measure by:

- (1) Deleting language that would have allowed the Sports and Entertainment Authority (Authority) to undertake and expand the objectives and responsibilities of the Stadium Authority, including oversight of Aloha Stadium;
- (2) Removing all references to Aloha Stadium, the Stadium Authority, Stadium Manager, and Deputy Manager;
- (3) Increasing the membership of the Authority to include at least one representative from the Department of Business, Economic Development, and Tourism; Hawaii Tourism Authority; Stadium Authority; and performing arts community;
- (4) Creating a Deputy Sports Coordinator position;
- (5) Deleting language that would have allowed the Authority to acquire sports venue and entertainment facilities and contract for management of a state sports complex;
- (6) Deleting language that would have allowed the Authority to contract for sports and entertainment industry research and statistics;
- (7) Deleting language that would have established powers of the Chief Security officer, authority of law enforcement officers enforcing rules adopted by the Authority, and the sports and entertainment authority special fund;
- (8) Deleting language that would have allocated a portion of transient accommodations taxes to the special fund;
- (9) Deleting language that would have transferred powers and duties and funds from the Stadium Authority to the Sports and Entertainment Authority;
- (10) Deleting language that would have repealed chapter 109, Hawaii Revised Statutes, which includes the Stadium Authority, its duties and powers, and the stadium and Kapolei recreational sports complex special funds;
- (11) Amending section 1 to reflect its amended purpose; 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 Economic Development, Environment, and Technology and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1847, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1847, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair and Majority Leader on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 5; Ayes with Reservations (Keith-Agaran, Slom). Noes, 3 (Ihara, Ruderman, Thielen). Excused, 1 (Espero).

Tourism and International Affairs: Ayes, 5. Noes, none. Excused, 2 (Kim, Slom).

SCRep. 3123 (Joint) Economic Development, Environment, and Technology and Commerce, Consumer Protection, and Health on H.B. No. 1983

The purpose and intent of this measure is to:

- (1) Authorize the Department of Health to establish a cesspool upgrade, conversion, or connection tax credit or rebate program; and
- (2) Provide that cesspools found to be illegal, as a result of an inspection conducted due to a person applying for a rebate or taxpayer claiming a credit, are not subject to penalty.

Your Committees received comments on this measure from the Department of Health, Department of Taxation, and Tax Foundation of Hawaii.

Your Committees find that the State's streams, groundwater, and ocean are being harmed by water pollution from nonpoint contamination sources that flow off the land directly rather than through pipes or ditches. Cesspools constitute a nonpoint contamination source of grave concern and release approximately 55,000,000 gallons of untreated sewage into the ground each day.

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; therefore, reducing the number of cesspools in the State is a matter of great importance. Your Committees further find that a rebate program is preferable to a tax credit for assisting low-income taxpayers because it enables a low-income household to obtain funds sooner, rather than waiting until the end of the tax year to file a claim for a refund.

Your Committees have amended this measure by:

- (1) Deleting language that would have established a cesspool upgrade, conversion, or connection income tax credit and would have amended the existing cesspool upgrade, conversion, or connection income tax credit established by section 235-16.5, Hawaii Revised Statutes;
- (2) Clarifying that eligibility for the rebate is based on federal adjusted gross income and subject to certain limits;
- (3) Requiring applicants for the rebate to self-certify their federal adjusted gross income, subject to penalties of perjury and fines for an ineligible applicant who provides a false certification in order to be deemed eligible for a rebate;
- (4) Authorizing the Department of Taxation to provide taxpayer information to the Department of Health for purposes of verifying rebate program eligibility and requiring such information to be afforded confidentiality; 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, Environment, and Technology and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1983, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1983, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Ruderman).

Commerce, Consumer Protection, and Health: Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 3124 (Joint) Economic Development, Environment, and Technology and Government Operations on H.B. No. 1684

The purpose and intent of this measure is to exempt the operations of the Natural Energy Laboratory of Hawaii Authority from bidding requirements for concessions or space on public property.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Natural Energy Laboratory of Hawaii Authority; and one individual.

Your Committees find that the Natural Energy Laboratory of Hawaii Authority administers the Hawaii Ocean Science and Technology Park (HOST Park). Your Committees further find that while the fifteen-year limit on concessions or concession space under section 102-2(a), Hawaii Revised Statutes, may place an undue burden on the development of the HOST Park, it is unnecessary to exempt the operations of the Natural Energy Laboratory of Hawaii Authority from all bidding requirements under section 102-2(a), Hawaii Revised Statutes.

Your Committees have therefore amended this measure by:

- (1) Exempting the operations of the Natural Energy Laboratory of Hawaii Authority from the fifteen-year limit, rather than all bidding requirements for concessions or space on public property; 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 Economic Development, Environment, and Technology and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1684, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1684, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 5; Ayes with Reservations (Keith-Agaran). Noes, none.

Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

Government Operations: Ayes, 5; Ayes with Reservations (Keith-Agaran). Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3125 (Joint) Economic Development, Environment, and Technology and Government Operations on H.B. No. 2755

The purpose and intent of this measure is to require the Chief Information Officer to work with each executive branch department in the State to develop and maintain an incident response plan against cyber-attacks.

Your Committees received testimony in support of this measure from the Office of Enterprise Technology Services and Department of Defense Hawaii Emergency Management Agency.

Your Committees find that the State's executive branch department computer networks provide and control critical services to the State and its residents, including financial services, telecommunications, agricultural operations, legal affairs, transportation systems, educational and career development programs, health care systems, and public safety response. Therefore, protection of these systems is of the utmost importance. Your Committees further find that the incident response plans developed for the executive branch departments should work in concert as a comprehensive statewide plan.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Government Operations that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2755, H.D. 2, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Ruderman, Thielen).

Government Operations: Ayes, 5. Noes, none. Excused, 2 (Tokuda, Slom).

SCRep. 3126 (Joint) Transportation and Energy and Water, Land, and Agriculture on H.B. No. 1170

The purpose and intent of this measure is to:

- (1) Create a process for the lease of public lands without public auction for geothermal resources that is consistent with the process applicable to lands with renewable energy resources such as solar, wind, hydropower, and biomass; and
- (2) Provide clarity and consistency in the statutory regulation of mineral resources.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; ORMAT Nevada Inc.; and one individual.

Your Committees find that geothermal developers are already afforded the same opportunities afforded to other renewable energy producers regarding leases on public lands without public auction. As such, no separate process is necessary.

Your Committees have amended this measure by:

- (1) Deleting the authorization of the Board of Land and Natural Resources to grant an application for a mining lease submitted by a renewable energy producer in accordance with section 171-95, Hawaii Revised Statutes, or by vote of two-thirds of its members and without public auction;
- (2) Clarifying that exploration may be done by any person wishing to conduct geothermal or mineral exploration; and
- (3) Inserting an effective date of July 1, 2016.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1170, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1170, H.D. 2, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair and Senate President on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (Chun Oakland, Slom).

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 3127 (Joint) Transportation and Energy and Water, Land, and Agriculture on H.B. No. 2593

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for the purpose of assisting Hawaii Renewable Resources, LLC, with the establishment and funding of food, animal feed, and energy production; waste recovery; and related facilities on the island of Oahu.

Your Committees received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawaii Farm Bureau; Renewable Energy Action Coalition of Hawaii; and Hawaii Renewable Resources, LLC. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that one of the challenges the Hawaii agriculture industry is facing today is the skyrocketing cost of imported feed. This measure will authorize the issuance of special purpose revenue bonds to Hawaii Renewable Resources, LLC, which will help provide the public with greater sources of renewable energy as well as food crop and animal feed from sources indigenous to Oahu, without investment or risk to the State or counties.

Your Committees have amended this measure by:

- (1) Authorizing the issuance of \$30,000,000 in special purpose revenue bonds;
- (2) Inserting an effective date of July 1, 2016; 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 Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2593, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2593, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (Chun Oakland, Slom).

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 3128 (Joint/Majority) Transportation and Energy and Judiciary and Labor on H.B. No. 1652

The purpose and intent of this measure is to require an affidavit on application for voter registration to be included as part of the application for driver's licenses and civil identification cards.

Your Committees received testimony in support of this measure from the Office of Elections, Office of Hawaiian Affairs, Office of the County Clerk of the County of Hawai'i, Office of the County Clerk of the County of Kaua'i, Hawaii Common Cause, and League of Women Voters of Hawaii. Your Committees received comments on this measure from the Department of Transportation.

Your Committees find that this measure will reduce barriers to voting and increase citizen participation in elections by making voter registration more convenient. This measure will also modernize the registration process and data maintenance by requiring the Examiner of Drivers and the Department of Transportation to electronically transfer voter information files to the Office of Elections and election officials, rather than transferring the information with paper documents.

Your Committees have amended this measure by:

- (1) Clarifying that an applicant for a driver's license must affirmatively decline to register to vote if the applicant does not want the specified personal information electronically transmitted to the Office of Elections; 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 Energy and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1652, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1652, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

Judiciary and Labor: Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 3129 (Joint) Transportation and Energy and Water, Land, and Agriculture on H.B. No. 2077

The purpose and intent of this measure is to authorize, in agricultural districts, the construction of small hydropower facilities as defined by the United States Department of Energy in a manner that combines clean energy infrastructure and irrigation for agricultural lands.

Your Committees received testimony in support of this measure from the Department of Agriculture, Agribusiness Development Corporation, Department of Land and Natural Resources, Hawai'i Farm Bureau, Ulupono Initiative, and Hawai'i Community 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 the Attorney General, Earthjustice, and Hawaii Fresh Water Council.

Your Committees find that renewable energy is important to the State's energy goals. Hydroelectric facilities can serve as a feasible alternative energy source to meet such goals. Viable farming and ranching activities on agricultural lands must be maintained in order to retain such lands for future generations. Lands capable of supporting viable agricultural activities should be protected and kept in agriculture. Hydroelectric facilities can provide the State with alternative energy options, as long as it is secondary to agricultural activities on agricultural lands.

Your Committees have amended this measure by:

- (1) Deleting language allowing a hydroelectric facility in agricultural districts regardless of whether the facility is a bona fide agricultural service or use that supports agricultural activities;
- (2) Adding language to clarify that the new instream flow standard applies only if the project involves new or expanded diversions;
- (3) Deleting the requirement that a hydroelectric facility wheel only to non-contiguous sites that have bona fide agricultural activities;
- (4) Inserting an effective date of July 1, 2016; 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 Transportation and Energy and Water, Land, and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2077, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2077, H.D. 2, S.D. 1, and be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 5. Noes, none. Excused, 2 (Chun Oakland, Slom).

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Riviere, Ruderman, Slom).

SCRep. 3130 (Joint) Higher Education and the Arts and Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2741

The purpose and intent of this measure is to appropriate monies for the State Foundation on Culture and the Arts to establish an arts in the military program.

Your Committees received testimony in support of this measure from the Hawaii State Office of Veterans Services; Department of Defense; State Foundation on Culture and the Arts; Hawai'i Arts Alliance; Soundtable Entertainment, Inc.; and seven individuals.

Your Committees find that this measure provides greater access to the arts for the military community and makes a significant contribution to the quality of life for veterans, active duty military, and their dependents.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts 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. 2741, H.D. 1, and recommend that it pass Second Reading and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Kahele, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 3131 (Majority) Higher Education and the Arts on H.B. No. 1556

The purpose and intent of this measure is to prohibit the University of Hawaii from adopting or maintaining any policy that precludes a person from certain employment at the University if that person is a candidate for, or is elected to, a non-statewide public office.

Your Committee received testimony in support of this measure from the University of Hawaii Professional Assembly; Hawaii Educational Policy Center; Radcliffe & Associates, LLC; and one individual. Your Committee received testimony in opposition to this measure from the Department of the Attorney General. Your Committee received comments on this measure from the University of Hawai'i System and Employees' Retirement System.

Your Committee finds that this measure allows employees of the University of Hawaii to contribute to their community by holding a public office without first sacrificing their employment at the University. Your Committee also finds that expanding the pools of candidates for public office and for employment at the University is a benefit to the public offices, the University, and the State.

Your Committee has amended this measure by:

- (1) Authorizing the University of Hawaii to employ people who are candidates for, or are elected to, a non-statewide or non-countywide public office as casual employees, rather than prohibiting the University from adopting or maintaining any policy that precludes such employment;
- (2) Inserting a definition of "casual employee"; and
- (3) Inserting an amendment to chapter 88, Hawaii Revised Statutes, to clarify that people who are employed at the University of Hawaii and are also elective officers are prohibited from earning any additional benefits as a result of holding the two positions.

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. 1556, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1556, H.D. 1, S.D. 1, and be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 2. Noes, 1 (Kidani). Excused, 2 (Kahele, Slom).

SCRep. 3132 Higher Education and the Arts on H.B. No. 2772

The purpose and intent of this measure is to promote a safe environment free from sexual harassment, sexual assault, domestic violence, dating violence, and stalking at the University of Hawaii by requiring the University to, among other things:

- (1) Train all employees and students on sexual harassment, sexual assault, domestic violence, dating violence, and stalking laws and policies;
- (2) Designate a confidential advocate for students at each of its campuses;
- (3) Inform victims in writing of the right to report all sexual-assault cases to the county police department for investigation and assist victims in submitting the police report;
- (4) Require the confidential advocate to annually provide general statistics to the Title IX coordinator on the number and type of incidents received by the confidential advocate; and
- (5) Conduct a campus climate survey of all students every two years, beginning no later than December 31, 2016.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Hawaii State Democratic Women's Caucus, and Planned Parenthood Votes Northwest and Hawaii. Your Committee received testimony in opposition to this measure from the University of Hawaii System and University of Hawaii Commission on the Status of Women.

Your Committee finds that this measure implements preliminary recommendations of the affirmative consent task force, established by Act 222, Session Laws of Hawaii 2015, and will improve campus safety and accountability at University of Hawaii campuses.

Your Committee has amended this measure by:

- (1) Clarifying that discussions with a confidential advocate are not exempt from mandatory reporting requirements;
- (2) Requiring the University of Hawaii to make available to students and employees written and electronic materials and training programs concerning Title IX of the Higher Education Amendments of 1972; the Violence Against Women Act of 1994; and University of Hawaii policies concerning sexual harassment, sexual assault, domestic violence, dating violence, and stalking; and
- (3) Removing language prohibiting specified romantic relationships at the University of Hawaii.

Your Committee requests that if your Committees on Judiciary and Labor and Ways and Means consider this measure for passage, these Committees consider adding one full time equivalent (1.0 FTE) administrator with an appropriation of \$70,000; two full time equivalent (2.0 FTE) investigators with an appropriation of \$90,000 for each investigator for the University of Hawaii at Manoa campus, totaling \$250,000 in A funds. Your Committee further requests that these Committees consider adding to this measure one full time equivalent (1.0 FTE) administrative support staff with an appropriation of \$60,000; one full time equivalent (1.0 FTE) educator/trainer/investigator with an appropriation of \$90,000; and an appropriation of \$10,000 for travel for the University of Hawaii at Hilo, totaling \$160,000 in A funds. Your Committee further requests that these Committees consider adding to this measure an appropriation of \$150,000 in A funds for compliance with Title IX of the Higher Education Amendments of 1972 and the Violence Against Women Act of 1994 at the University of Hawaii community colleges.

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. 2772, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2772, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 3; Ayes with Reservations (Kidani). Noes, none. Excused, 2 (Kahele, Slom).

SCRep. 3133 Housing on H.B. No. 2166

The purpose and intent of this measure is to expand the low income-household renters' income tax credit based on adjusted gross income, filing status, and the Consumer Price Index for All Urban Consumers published by the United States Department of Labor for each taxable year beginning after December 31, 2016.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women; Americans for Democratic Action, Hawaii Chapter; Progressive Democrats of Hawai'i; PHOCUSED; Mental Health America of Hawai'i; Catholic Charities Hawai'i; The CHOW Project; League of Women Voters of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Children's Action Network; and three individuals. Your Committee received comments on this measure from the Department of Taxation; Honolulu Community Action Program, Inc.; and Tax Foundation of Hawaii.

Your Committee finds that the low income-household renters credit is designed to assist many of Hawaii's low- and moderate-income families with the high cost of rent in the State. However, the credit has not been updated to address today's costs. This measure would expand the credit in various ways, providing meaningful relief for renter households that struggle to pay rent.

Your Committee has amended this measure by:

- (1) Deleting the definition of "consumer price index";
- (2) Deleting language that, for each taxable year beginning after December 31, 2016, would have allowed inflationary adjustments to the low income-household renters credit, income threshold amount, and minimum amount paid in rent; 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 Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2166, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2166, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Galuteria, Green, Taniguchi).

SCRep. 3134 Commerce, Consumer Protection, and Health on H.B. No. 1756

The purpose and intent of this measure is to:

- (1) Require all applicants for nurse licensure, renewal, reactivation, or restoration to comply with state and federal criminal history record checks, beginning with the July 1, 2019, licensing biennium; and
- (2) Authorize the Board of Nursing to develop and adopt rules to implement required criminal history record checks.

Your Committee received testimony in support of this measure from the Hawai'i State Center for Nursing; Hawaii Association of Professional Nurses; Hawai'i Pacific Health; American Organization of Nurse Executives, Hawaii Chapter; and one individual. Your Committee received comments on this measure from the Board of Nursing.

Your Committee finds that it is in the best interest of the nursing workforce in Hawaii to ensure safe and quality nursing services are provided to patients in the State. Establishing criminal history record checks for nurses is one way to protect consumers and enhance public safety. Your Committee further finds that the National Council of State Boards of Nursing has proposed a standard, for all states to adopt, that requires a biometrics-based state and federal criminal background check for all nursing applicants, consistent with Public Law No. 92-544. The American Nurses Association and the Council of State Governments also support the use of criminal background checks as part of the nursing licensure process.

Your Committee additionally finds that this measure requires all applicants for nurse licensure, renewal, reactivation, or restoration to comply with state and federal criminal history record checks, beginning with the July 1, 2019, licensing biennium. According to testimony from the Hawaii State Center for Nursing, as of January 26, 2016, there were 22,216 Registered Nurses, including 1,267 Advanced Practice Registered Nurses, and 2,382 Practical Nurses licensed in Hawaii. The Board of Nursing has expressed concerns regarding the workload and implementation issues that will arise if all current and new licensees are expected to meet record check requirements by 2019.

Your Committee notes that the companion to this measure, S.B. No. 2677, S.D. 2, H.D. 1 (Regular Session of 2016), which was previously passed by the Senate and the House Committee on Health, is a substantially similar measure that also establishes criminal history record check requirements for all applicants for nurse licensure, renewal, reactivation, or restoration. However, S.B. No. 2677, S.D. 2, H.D. 1, authorizes the Board of Nursing to begin implementing the criminal history record check requirements on July 1, 2017, and contains a graduated implementation of the criminal history record check requirements for current and new nurse licensees over the next four license cycles. Your Committee concludes that the language in S.B. No. 2677, S.D. 2, H.D. 1, is preferable because gradually phasing in these requirements will ensure successful implementation of criminal history record checks on new and existing licensees, without compromising the Board's ability to timely process license applications and renewals.

Accordingly, your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2677, S.D. 2, H.D. 1, a substantially similar measure, which:
 - (A) Requires all nurse licensure applicants, beginning with the July 1, 2017, licensing biennium, and all nurse license renewal applicants, beginning with the July 1, 2019, licensing biennium, to comply with criminal history record checks;
 - (B) Authorizes the Board of Nursing to reactivate licenses and conduct investigations of applicants; and
 - (C) Authorizes the Board of Nursing to request, beginning July 1, 2017, criminal history records of qualified applicants and request, no later than July 1, 2023, criminal history records required for licensees who were issued licenses prior to July 1, 2017;
- (2) Inserting an effective date of upon its approval; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1756, H.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1756, H.D. 3, S.D. 1, and be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Sлом).

SCRep. 3135 Judiciary and Labor on H.B. No. 2016

The purpose and intent of this measure is to:

- (1) Require public retiree contributions to the Hawaii Employer-Union Health Benefits Trust Fund (EUTF) to be paid through withholdings of retirement benefit amounts from the Employees' Retirement System;
- (2) Require the Board of Trustees of the EUTF to submit an annual report to the Legislature on the contribution amounts paid to the EUTF; and
- (3) Authorize a retiree or beneficiary to make an annual election to opt out of the withholding requirement.

Your Committee received testimony in support of this measure from the Hawaii Employer-Union Health Benefits Trust Fund and three individuals. Your Committee received comments on this measure from the Employees' Retirement System.

Your Committee finds that health insurance premiums are automatically deducted for state and county employees. However, typically, once an employee retires, the employer does not pay a portion of the health insurance premium, and the payment of insurance premiums becomes an added burden for retirees. If the retiree fails to make the required payment, due to various reasons including but not limited to illness, vacation, or a delay in postal service, the retiree is at risk of losing health insurance coverage.

Your Committee notes that according to the testimony of the Hawaii Employer-Union Health Benefits Trust Fund, the fund should be able to accept credit card payments by July 1, 2016, and process automatic electronic payments by January 1, 2017. Implementation of this measure will streamline public retiree contributions to the EUTF and provide better assurance that public retirees maintain health insurance coverage.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2428, S.D. 2, Regular Session of 2016, a substantially similar measure, which:
 - (A) Requires public retiree contributions to the EUTF to be paid through withholdings of retirement benefit amounts from the Employees' Retirement System;
 - (B) Requires the Board of Trustees of the Employees' Retirement System to submit an annual report to the Legislature on the contribution amounts paid to the EUTF;
 - (C) Authorizes a retiree or beneficiary to make a one-time election to opt out of the withholding requirement;
 - (D) Requires the EUTF to authorize automatic electronic payments in lieu of withholdings beginning after January 1, 2017; and
 - (E) Has an effective date of July 1, 2016;
- (2) Inserting language to require the Board of Trustees of the EUTF, which is subject to the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), to ensure that the Employees' Retirement System is not subject to HIPAA as a result of the receipt and possession of copayment billing information from the EUTF; 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. 2016, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2016, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3136 Judiciary and Labor on H.B. No. 2156

The purpose and intent of this measure is to:

- (1) Repeal the language that allows a candidate, treasurer, or candidate committee to use campaign funds to purchase no more than two tickets for each event held by another candidate or committee;
- (2) Allow a candidate, treasurer, or candidate committee to use campaign funds to make contributions to any candidate committee up to certain amounts;
- (3) Limit the amount of campaign funds that may be spent by an elected official on memberships in civic or community groups or for protocol gifts in connection with the candidate's duties as a holder of an office to twice the allowable individual contribution amount;
- (4) Create an exception under the law relating to prohibited uses of campaign funds for certain permitted campaign fund uses enumerated under section 11-381, Hawaii Revised Statutes (HRS);
- (5) Repeal the language that allows monies in the Hawaii election campaign fund to be used for the operating expenses of the Campaign Spending Commission;
- (6) Designate an unspecified amount as excess of the requirements of the campaign spending trust fund and authorize the Director of Finance to transfer an unspecified amount from the campaign spending trust fund to the general fund; and
- (7) Appropriate an unspecified amount to the Campaign Spending Commission for operating expenses.

Your Committee received testimony in support of this measure from one individual. Your Committee received testimony in opposition to this measure from the Department of Accounting and General Services, League of Women Voters of Hawaii, Common Cause Hawaii, and six individuals. Your Committee received comments on this measure from the Campaign Spending Commission.

Your Committee finds that this measure provides additional permitted purposes for the use of campaign funds and appropriates funds for the operating expenses of the Campaign Spending Commission.

Your Committee notes the concerns raised in written testimony that allowing a candidate, treasurer, or candidate committee to use campaign funds to make contributions to any candidate committee up to certain amounts may be construed as a form of vote buying or buying influence. Persons who contribute to an election campaign generally believe that they are helping to elect a specific candidate, not allowing that candidate to donate contributed dollars to another candidate.

Your Committee further notes that candidates often are required to pay for memberships in civic or community groups or protocol gifts in connection with the candidate's duties as a holder of an office. However, these elected officials may not be provided an allowance or budget for these types of expenses, and may be required to pay for these expenses out of their own pockets even though these expenses are in connection with the elected official's duties. Your Committee notes the concerns raised in written testimony that the language in this measure may result in raising, rather than limiting, the current amount that an elected official may spend from campaign funds for civic or community group memberships and protocol gifts.

Your Committee notes and appreciates the discussion during the hearing on this measure with the Executive Director of the Campaign Spending Commission during which your Committee expressed concerns regarding the use of campaign funds when the candidate withdraws or ceases to be a candidate for the election because of death, disqualification, or other reasons. Existing law requires the candidate committee or candidate to return the residual funds to the contributors no later than ninety days after the candidate ceases to be a candidate. Any funds not returned to contributors escheats to the Hawaii election campaign fund. Your Committee believes that additional options should be provided to the candidate committee in the event of a candidate's death. Lastly, your Committee also raised concerns that donations to private schools are not specifically permitted under section 11-381(a)(4), HRS.

Accordingly, your Committee has amended this measure by:

- (1) Adding private schools as entities to which donations up to certain amounts may be made using campaign funds;
- (2) Deleting language that would have allowed a candidate, treasurer, or candidate committee to use campaign funds to make contributions to any candidate committee up to certain amounts;
- (3) Reinstating language that allows a candidate, treasurer, or candidate committee to use campaign funds to purchase no more than two tickets for each event held by another candidate or committee;
- (4) Deleting language that would have limited the amount of campaign funds for civic or community organization memberships and protocol gifts to twice the allowable individual contribution amount and clarifying that these types of incurred expenses are included as ordinary and necessary expenses incurred in connection with the candidate's duties as a holder of office;
- (5) Deleting language that would have created an exception under the law relating to prohibited uses of campaign funds;
- (6) Adding language that amends section 11-384, HRS, to allow the candidate committee of a candidate who ceases to be a candidate because of the death of the candidate to use campaign funds to make donations to certain types of organizations,

return the residual funds to the contributors, or both, within a ninety-day period, and requiring any campaign funds not donated or returned to contributors to escheat to the Hawaii election campaign fund; and

- (7) Inserting \$495,506 as the amount in excess of the requirements of the campaign spending trust fund, amount authorized for transfer to the general fund, and amount appropriated for the operating expenses of the Campaign Spending Commission.

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. 2156, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2156, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Thielen). Noes, none. Excused, 1 (Kahele).

SCRep. 3137 (Joint/Majority) Judiciary and Labor and Transportation and Energy on H.B. No. 2475

The purpose and intent of this measure is to:

- (1) Establish a maritime industry grant program within the Department of Labor and Industrial Relations (Department) for the Department to award grants to qualified shipyards;
- (2) Establish eligibility requirements for the award of grants and reporting requirements for the maritime industry grant program;
- (3) Exempt the grants from chapters 42F, 103D, and 103F, Hawaii Revised Statutes; and
- (4) Appropriate funds to the Department for the awarding of grants under the maritime industry grant program.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, The Chamber of Commerce Hawaii, Pacific Shipyards International, and five individuals. Your Committees received comments on this measure from the Department of the Attorney General.

Your Committees find that this measure builds upon the success of a pilot project that was collaboratively designed and implemented last year by the Department to develop local talent for maritime welding and ship repair. The impetus of this pilot project was an insufficient number of local qualified workers that forced employers to import mainland talent at high costs and turnover rates. The pilot project provided recruitment services, internships, and an accelerated maritime welding course that resulted in thirteen trainees being hired by the shipyard. This measure enables the Department to expand the pilot project so that more local qualified workers can be recruited to fill more high-skilled occupations in the shipyard.

Your Committees have amended this measure by:

- (1) Adopting language suggested by the Department of the Attorney General that deletes language that would have required the Department to award grants based on criteria developed by the Department, to avoid conflicts with the state constitution;
- (2) Adding language that requires the Department to award grants only to qualified shipyards that meet certain criteria;
- (3) Adopting language suggested by the Department that:
 - (A) Allows, rather than requires, eligible projects to include certain capital improvement projects and workforce development and training projects;
 - (B) Deletes language that would have required the Department to analyze each application to determine the economic viability of the grant request and benefits to the State;
 - (C) Deletes language that would have required the reports to the Legislature to include the projected economic and workforce development benefits expected from the awarding of the grant; and
 - (D) Adds language that allows the Department to use monies appropriated for the maritime industry grant program to cover the costs of administering, operating, and marketing the grant program, as determined by the Director of Labor and Industrial Relations; 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 Transportation and Energy that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2475, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2475, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3138 Human Services on H.B. No. 1516

The purpose and intent of this measure is to clarify that the Internet Crimes Against Children (ICAC) fee shall be assessed against every defendant who is convicted of a misdemeanor or felony regardless of the nature of the offense, except when the court determines the defendant is unable to pay the fee, and move the statute establishing the ICAC fee to a more appropriate chapter of the Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from Department of the Attorney General and one individual.

Your Committee finds that this measure clarifies the law relating to the ICAC fee, making clear that the fee is not intended to be imposed only in cases involving internet crimes against children.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1516, H.D. 1, and recommends that it pass Second Reading and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 3139 Human Services on H.B. No. 2717

The purpose and intent of this measure is to require rules adopted by the Director of Human Services to apply annual cost of living increases to the asset and income thresholds for Medicaid eligibility.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that this measure allows the asset and income thresholds for Medicaid eligibility to increase as living costs increase, which will allow more individuals to become eligible or maintain eligibility for Medicaid while possessing sustainable levels of assets and income.

Your Committee has amended this measure by requiring the rules determining asset and income thresholds for eligibility for Medicaid assistance to provide for the greater of annual cost of living increases or federal poverty level increases.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2717, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2717, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 3140 (Joint/Majority) Water, Land, and Agriculture and Tourism and International Affairs on H.B. No. 2037

The purpose and intent of this measure is to appropriate funds for hosting the 2016 International Union for Conservation of Nature World Conservation Congress meeting at the Hawaii Convention Center from September 1 to 10, 2016.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Humane Society of the United States, The Nature Conservancy, Ulupono Initiative, Outrigger Enterprises Group, and four individuals.

Your Committees find that the International Union for Conservation of Nature is a leading authority on the environment and sustainable development. The World Conservation Congress consists of more than one thousand two hundred member organizations including over two hundred governments, nine hundred non-government organizations, and eighty-five member organizations in the United States. In September of 2016, more than eight thousand delegates from over one hundred sixty countries are expected to attend the World Conservation Congress meeting at the Hawaii Convention Center.

Your Committees further find that the World Conservation Congress meeting provides the State a unique opportunity to highlight its progress toward the sustainability and clean energy goals of the Aloha+ Challenge and its efforts to mitigate the impact of invasive species, as well as to recognize the efforts of Hawaii's private sector, particularly organizations like the Blue Planet Foundation, who advocate for clean energy and convene industry decision makers, policy experts, and community leaders to collaborate on forward-thinking solutions that enable clean energy transformation. In addition, having financial support from the community that will follow the leadership and initiative of entities, like the Office of Hawaiian Affairs, Hau'oli Mau Loa Foundation, and Harold K.L. Castle Foundation, which have already provided sizeable monetary contributions that will support Hawaii's hosting of the meeting and enable the State to highlight Hawaii's environmental and natural resources; support Hawaii's economy, environment, and quality of life; and generate economic benefits including visitor spending, tax revenues, potential federal and international grant funding, and research opportunities.

Your Committees have amended this measure by:

- (1) Inserting a purpose section;
- (2) Requiring matching private funds, in a blank proportional amount, in order for the general funds to be expended; and
- (3) Inserting an effective date of July 1, 2016.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Tourism and International Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2037, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2037, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Signed by the President and Majority Leader on behalf of the Committees.
Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Riviere, Wakai).
Tourism and International Affairs: Ayes, 3. Noes, 1 (Slom). Excused, 3 (Galuteria, Green, Tokuda).

SCRep. 3141 Commerce, Consumer Protection, and Health on H.B. No. 2707

The purpose and intent of this measure is to:

- (1) Require the Department of Health and licensed medical marijuana dispensaries to provide aggregated de-identified data to the Department of Business, Economic Development, and Tourism upon request;
- (2) Require the Department of Business, Economic Development, and Tourism to provide an analysis of the aggregated data to the Department of Health, Medical Marijuana Advisory Commission, and Legislature;
- (3) Establish the Medical Marijuana Advisory Commission to advise the Department of Health regarding the oversight, operation, and regulation of medical marijuana dispensaries;
- (4) Exclude medical marijuana dispensary activities from being considered an eligible business activity for purposes of the state enterprise zone program;
- (5) Specify the application and non-application of the Internal Revenue Code to expenses related to the production and sale of medical marijuana and manufactured marijuana products for state income tax purposes and clarify that amounts received for the sale of marijuana or manufactured marijuana products are not exempt from the state general excise tax;
- (6) Clarify that prohibitions regarding drug paraphernalia shall not apply to persons who lawfully cultivate, possess, or use medical marijuana;
- (7) Include advanced practice registered nurses with prescriptive authority as a type of health care professional who may provide written certification for a qualifying patient to lawfully use medical marijuana;
- (8) Provide definitions of various terms used in relation to the licensing and regulation of medical marijuana dispensaries;
- (9) Provide that no subcontracting operator shall be employed by or under contract with more than one dispensary licensee to operate medical marijuana production centers or retail dispensary locations;
- (10) Clarify that a dispensary licensee may engage service contractors for various purposes that do not involve the handling of medical marijuana;
- (11) Permit retail dispensing locations to be open for retail sales on Sundays;
- (12) Clarify that a medical marijuana dispensary shall not be prohibited from transporting marijuana or manufactured marijuana products from one county or island to another if a testing laboratory is unavailable in the county or on the island where the dispensary is located;
- (13) Require a certified laboratory to issue a certificate of analysis for each batch of marijuana and manufactured marijuana products tested by the laboratory;
- (14) Specify chemical compounds and substances for which testing shall be conducted by certified laboratories;
- (15) Allow transdermal patches and substances designed to be inhaled to be among the types of medical marijuana products that may be manufactured and distributed;
- (16) Clarify that background checks shall be required for employees of subcontracting operators and shall not be required for qualifying patients and their primary caregivers who visit a medical marijuana retail dispensing location for a lawful transaction or for government officials and employees acting in an official capacity and as authorized at a medical marijuana retail dispensing location or production center; and
- (17) Allow the University of Hawaii's John A Burns School of Medicine, Cancer Center, Daniel K. Inouye College of Pharmacy, and College of Tropical Agriculture and Human Resources to conduct testing and research regarding medical marijuana.

Your Committee received testimony in support of this measure from the Drug Policy Forum of Hawai'i; Hawai'i Dispensary Alliance; Hawaii Association of Professional Nurses; Manoa Botanicals LLC; NuWayve Unlimited; The Medical Cannabis Coalition of Hawaii; Americans for Safe Access, Big Island Chapter; Drug Policy Action Group; and sixteen individuals. Your Committee received testimony in opposition to this measure from the Department of Health; Department of Transportation; Honolulu Police Department; Maui Police Department; Department of the Prosecuting Attorney, City and County of Honolulu; Coalition for a Drug-Free Hawaii; and one individual. Your Committee received comments on this measure from the Department of the Attorney General; Department of Business, Economic Development, and Tourism; Department of Taxation; University of Hawai'i System; Board of Nursing; Tax Foundation of Hawaii; and three individuals.

Your Committee finds that chapter 329, part IX, Hawaii Revised Statutes, was enacted to create a state medical use of marijuana law and exemption from criminal sanctions. Furthermore, chapter 329D, Hawaii Revised Statutes, was enacted to establish medical marijuana dispensaries that may begin operations in July 2016. As Hawaii expands its medical marijuana program through the use of highly regulated and monitored dispensaries and more patients are anticipated to consider medical marijuana as a viable treatment, this measure seeks to improve the medical marijuana system in the State.

Your Committee has amended this measure by:

- (1) Deleting language that would have established the Medical Marijuana Advisory Commission;
- (2) Deleting language that would have amended section 329-43.5, Hawaii Revised Statutes, to clarify that prohibitions regarding drug paraphernalia shall not apply to persons who lawfully cultivate, possess, or use medical marijuana and instead inserting language to allow assertion of the medical use of marijuana as an affirmative defense to prosecution involving marijuana under part IV of chapter 329, Hawaii Revised Statutes, in sections 329-125 and 329-125.6, Hawaii Revised Statutes;
- (3) Deleting the definition of "health care professional";

- (4) Inserting definitions for “advanced practice registered nurse”, “bona fide advanced practice registered nurse-patient relationship”, and “bona fide physician-patient relationship”;
- (5) Specifying clearly that an advanced practice registered nurse with prescriptive authority may provide written certification for a qualifying patient to lawfully use medical marijuana;
- (6) Restoring the definition of “physician” and repealing language that states the term does not include an advanced practice registered nurse with prescriptive authority;
- (7) Clarifying the definition of “transport”:
 - (A) To include the transportation of marijuana, usable marijuana, or any manufactured marijuana product between a production center or retail dispensing location and a certified laboratory for the purpose of laboratory testing; and
 - (B) To allow for the interisland transport of marijuana, usable marijuana, or any manufactured marijuana product for laboratory testing purposes, subject to certain conditions and with the understanding that state law and its protections do not apply outside of the jurisdictional limits of the State;
- (8) Deleting the definitions of “accreditation body”, “batch”, “certificate of accreditation”, “certified laboratory”, “service contractor”, and “subcontracting operator”;
- (9) Inserting a definition for “subcontractor” or “contractor”;
- (10) Amending the definition of “manufactured marijuana product” to:
 - (A) Not include marijuana cigarettes; and
 - (B) Include inhalers or nebulizers;
- (11) Deleting language that specifies that a dispensary licensee may engage one or more subcontracting operators to operate or assist in the operation of production centers and retail dispensing locations;
- (12) Deleting language that specifies that a dispensary licensee may engage one or more service contractors to assist in various purposes that do not involve the handling of medical marijuana;
- (13) Clarifying that in all dispensary facilities, only the licensee, registered employees of the dispensary, registered employees of a subcontracted production center or retail dispensing location, and employees of a certified laboratory for testing purposes shall be permitted to touch or handle any marijuana or manufactured marijuana products;
- (14) Specifying that the allowable interisland transport of marijuana or manufactured marijuana products for purposes of laboratory testing in the absence of a laboratory in the county or on island shall be limited to an amount and manner determined by the Department of Health through rules;
- (15) Deleting language that would have required a certified laboratory to issue a certificate of analysis for each batch of marijuana and manufactured marijuana products tested by the laboratory;
- (16) Deleting language that would have specified chemical compounds and substances for which testing would have been conducted by certified laboratories;
- (17) Clarifying that background checks are required for employees and officers, directors, and certain shareholders of subcontracted production centers or retail dispensing locations and are not required for employees of certified laboratories when entering or remaining on the premises of a retail dispensing location or production center for testing purposes;
- (18) Inserting language that allows the Department of Health to amend the interim rules, which shall be exempt from chapters 91 and 201M, Hawaii Revised Statutes; provided that the interim rules shall remain in effect until July 1, 2018, or until final rules are adopted, whichever occurs sooner;
- (19) Deleting language that would have allowed certain University of Hawaii branches to conduct marijuana-related testing and research;
- (20) Inserting language that allows the University of Hawaii to establish medical marijuana testing and research programs that qualify as commercial enterprises to provide services to state-approved medical marijuana dispensaries;
- (21) Inserting language to establish a legislative oversight working group to develop and recommend legislation to improve the medical marijuana dispensary system in the State to ensure safe and legal access to medical marijuana for qualified patients;
- (22) Inserting an effective date of July 1, 2050, to encourage further discussion;
- (23) Specifying that the application and non-application of the Internal Revenue Code to expenses related to the production and sale of medical marijuana and manufactured marijuana products for state income tax purposes shall apply to taxable years beginning after December 31, 2015; and
- (24) Making 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2707, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2707, H.D. 1, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 3142 Public Safety, Intergovernmental, and Military Affairs on H.B. No. 2295

The purpose and intent of this measure is to:

- (1) Reduce the number of members on the Aerospace Advisory Committee from fifteen to thirteen by eliminating the membership of a representative from the investment banking sector and an individual with experience, knowledge, and expertise in aerospace related activities and development to serve as the chairperson; and
- (2) Allow the Aerospace Advisory Committee to elect one of its own members as chairperson.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism and one individual.

Your Committee finds that the Aerospace Advisory Committee was established to advise and assist the Legislature and state agencies in monitoring, assessing, and promoting aerospace development throughout the State. It has historically been difficult for the Aerospace Advisory Committee to recruit representatives from the investment banking sector and individuals to serve as chairperson of the committee. Your Committee further finds that revising the makeup of the Aerospace Advisory Committee to address those concerns, as well as no longer requiring a member with experience, knowledge, and expertise in aerospace related activities, will increase the Committee's efficiency and effectiveness.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 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 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. 2295, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2295, 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, none.

SCRep. 3143 Education on S.C.R. No. 50

The purpose and intent of this measure is to request the Department of Education to ensure that special education teachers have adequate time to plan and prepare individualized education programs for their students.

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 special education teachers must adapt curricula, lesson plans, and other educational materials to the unique needs of individual students. The process of preparing individualized education programs is time consuming. Special education teachers frequently report that they do not have adequate time to prepare these programs. Reducing the workload of special education teachers and giving them more time to prepare individualized education programs will benefit special education students and allow them to more fully take advantage of the educational services and opportunities in Hawaii's schools. Your Committee additionally finds that disagreement exists regarding the ratio of special education students who require individualized education programs.

As such, your Committee has amended this measure by removing language referring to the ratio of special education students who require individualized education 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. 50, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 50, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3144 Education on S.R. No. 24

The purpose and intent of this measure is to request the Department of Education to ensure that special education teachers have adequate time to plan and prepare individualized education programs for their students.

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 special education teachers must adapt curricula, lesson plans, and other educational materials to the unique needs of individual students. The process of preparing individualized education programs is time consuming. Special education teachers frequently report that they do not have adequate time to prepare these programs. Reducing the workload of special education teachers and giving them more time to prepare individualized education programs will benefit special education students and allow them to more fully take advantage of the educational services and opportunities in Hawaii's schools. Your Committee additionally finds that disagreement exists regarding the ratio of special education students who require individualized education programs.

As such, your Committee has amended this measure by removing language referring to the ratio of special education students who require individualized education 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. 24, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 24, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3145 (Joint) Government Operations and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 48

The purpose and intent of this measure is to request the Governor to order that whenever the flag of the United States is flown on a permanent flagpole in front of the State Capitol Building, the National League of Families' POW/MIA flag shall be flown on the same halyard.

Your Committees received testimony in support of this measure from the Office of Veterans Services and National Association for Uniformed Services, Hawaii Chapter.

Your Committees find that in 1982, the National League of Families' POW/MIA flag became the only flag, other than the flag of the United States, to fly over the White House in Washington, D.C. The National League of Families' POW/MIA flag is a tangible and lasting tribute to Prisoners of War or Missing in Action members of the United States Armed Services. Implementation of this measure will honor the sacrifices made by members of the United States Armed Forces.

As affirmed by the records of votes of the members of your Committees on Government Operations 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. 48 and recommend that it be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3146 (Joint) Government Operations and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 22

The purpose and intent of this measure is to request the Governor to order that whenever the flag of the United States is flown on a permanent flagpole in front of the State Capitol Building, the National League of Families' POW/MIA flag shall be flown on the same halyard.

Your Committees received testimony in support of this measure from the Office of Veterans Services and National Association for Uniformed Services, Hawaii Chapter.

Your Committees find that in 1982, the National League of Families' POW/MIA flag became the only flag, other than the flag of the United States, to fly over the White House in Washington, D.C. The National League of Families' POW/MIA flag is a tangible and lasting tribute to Prisoners of War or Missing in Action members of the United States Armed Services. Implementation of this measure will honor the sacrifices made by members of the United States Armed Forces.

As affirmed by the records of votes of the members of your Committees on Government Operations 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. 22 and recommend that it be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.

SCRep. 3147 Government Operations on S.C.R. No. 66

The purpose and intent of this measure is to request the State to name a school, building, road, or area under its control after President Barack H. Obama.

Your Committee received testimony in support of this measure from the African American Lawyers Association of Hawaii, Hawai'i Friends of Civil Rights, African American Diversity Cultural Center Hawai'i, and two individuals. Your Committee received comments on this measure from the University of Hawai'i System and State Foundation on Culture and the Arts.

Your Committee finds that Barack Hussein Obama was born on August 4, 1961, in Honolulu, Hawaii, and spent his formative years attending high school on the island of Oahu. In 2005, Barack Obama was sworn in as a United States senator representing Illinois and on January 20, 2009, Barack Obama was sworn in as the forty-fourth president of the United States of America. Implementation of this measure honors President Obama's connection to Hawaii, legacy, historic role as the first African American United States president, and tireless dedication as a progressive and forward thinking leader.

Your Committee has amended this measure by:

- (1) Requesting the Governor to coordinate with various state agencies to create a plan to name a school, building, road, park, or other property under control of the State in honor of President Barack H. Obama, rather than limiting the request to create a plan to the Department of Transportation, University of Hawaii System, Department of Education, and Department of Accounting and General Services;
- (2) Requiring the Governor to submit a report to the Legislature, rather than the submittal of a joint report by the Department of Transportation, University of Hawaii System, Department of Education, and Department of Accounting and General Services;

- (3) Amending its title to more accurately reflect the purpose of the measure; 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 concurs with the intent and purpose of S.C.R. No. 66, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 66, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3148 Government Operations on S.R. No. 37

The purpose and intent of this measure is to request the State to name a school, building, road, or area under its control after President Barack H. Obama.

Your Committee received testimony in support of this measure from the African American Lawyers Association of Hawaii, Hawai'i Friends of Civil Rights, African American Diversity Cultural Center Hawai'i, and two individuals. Your Committee received comments on this measure from the University of Hawai'i System and State Foundation on Culture and the Arts.

Your Committee finds that Barack Hussein Obama was born on August 4, 1961, in Honolulu, Hawaii, and spent his formative years attending high school on the island of Oahu. In 2005, Barack Obama was sworn in as a United States senator representing Illinois and on January 20, 2009, Barack Obama was sworn in as the forty-fourth president of the United States of America. Implementation of this measure honors President Obama's connection to Hawaii, legacy, historic role as the first African American United States president, and tireless dedication as a progressive and forward thinking leader.

Your Committee has amended this measure by:

- (1) Requesting the Governor to coordinate with various state agencies to create a plan to name a school, building, road, park, or other property under control of the State in honor of President Barack H. Obama, rather than limiting the request to create a plan to the Department of Transportation, University of Hawaii System, Department of Education, and Department of Accounting and General Services;
- (2) Requiring the Governor to submit a report to the Legislature, rather than the submittal of a joint report by the Department of Transportation, University of Hawaii System, Department of Education, and Department of Accounting and General Services;
- (3) Amending its title to more accurately reflect the purpose of the measure; 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 concurs with the intent and purpose of S.R. No. 37, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 37, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3149 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 8

The purpose and intent of this measure is to authorize the formation of a task force to study the issue of a cancer presumptive statute relating to firefighters.

Your Committees received testimony in support of this measure from the State Fire Council; Honolulu Fire Department; Hawai'i Fire Department; Kaua'i Fire Department; Maui Fire Department; and Hawaii Fire Fighters Association, Local 1463. Your Committees received comments on this measure from the Department of Health, Employees' Retirement System, and University of Hawai'i Cancer Center.

Your Committees find that University of Cincinnati environmental health researchers have determined that firefighters are significantly more likely to develop various types of cancer than workers in other fields. A firefighter's cancer diagnosis can have an enormous impact on a spouse, children, and other family members, including a heavy emotional toll, financial costs, and a decreased quality of life. Your Committees further find that thirty-four states and nine Canadian provinces have enacted cancer presumptive statutes, which create a presumption that certain types of cancer diagnosed among firefighters result from their employment as firefighters.

Your Committees have amended this measure by:

- (1) Removing the Administrator of the Disability Compensation Division of the Department of Labor and Industrial Relations, directors of each county department that oversees human resources, and representative from the health insurance industry from the membership of the Firefighter Cancer Presumptive Task Force;
- (2) Adding the Chairpersons of the Senate Committee on Judiciary and Labor and House of Representatives Committee on Labor, Fire Chiefs from each county, Director of Labor and Industrial Relations, a representative from the Hawaii Employers' Mutual Insurance Company, and a representative from the Hawaii Employer-Union Health Benefits Trust Fund to the membership of the Firefighter Cancer Presumptive Task Force; 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, Consumer Protection, and 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. 8, as amended herein, and recommend that it be referred to your Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 8, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 3150 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 6

The purpose and intent of this measure is to authorize the formation of a task force to study the issue of a cancer presumptive statute relating to firefighters.

Your Committees received testimony in support of this measure from the State Fire Council; Honolulu Fire Department; Hawai'i Fire Department; Kaua'i Fire Department; Maui Fire Department; and Hawaii Fire Fighters Association, Local 1463. Your Committees received comments on this measure from the Department of Health, Employees' Retirement System, and University of Hawai'i Cancer Center.

Your Committees find that University of Cincinnati environmental health researchers have determined that firefighters are significantly more likely to develop various types of cancer than workers in other fields. A firefighter's cancer diagnosis can have an enormous impact on a spouse, children, and other family members, including a heavy emotional toll, financial costs, and a decreased quality of life. Your Committees further find that thirty-four states and nine Canadian provinces have enacted cancer presumptive statutes, which create a presumption that certain types of cancer diagnosed among firefighters result from their employment as firefighters.

Your Committees have amended this measure by:

- (1) Removing the Administrator of the Disability Compensation Division of the Department of Labor and Industrial Relations, directors of each county department that oversees human resources, and representative from the health insurance industry from the membership of the Firefighter Cancer Presumptive Task Force;
- (2) Adding the Chairpersons of the Senate Committee on Judiciary and Labor and House of Representatives Committee on Labor, Fire Chiefs from each county, Director of Labor and Industrial Relations, a representative from the Hawaii Employers' Mutual Insurance Company, and a representative from the Hawaii Employer-Union Health Benefits Trust Fund to the membership of the Firefighter Cancer Presumptive Task Force; 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, Consumer Protection, and 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. 6, as amended herein, and recommend that it be referred to your Committee on Judiciary and Labor, in the form attached hereto as S.R. No. 6, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 3151 Commerce, Consumer Protection, and Health on S.C.R. No. 141

The purpose and intent of this measure is to request the Auditor to conduct a sunrise review of insurance coverage for sexually transmitted disease testing.

Your Committee received testimony in support of this measure from Planned Parenthood Votes Northwest and Hawaii, Kaiser Permanente Hawaii, and LGBT Caucus of the Democratic Party of Hawai'i.

Your Committee finds that early detection of sexually transmitted diseases is paramount to proper health care. Preventive health services can save lives and improve health by identifying illnesses earlier, managing illnesses more effectively, and treating illnesses before they develop into more complicated, debilitating conditions.

Your Committee further finds that under the federal Patient Protection and Affordable Care Act of 2010 (Affordable Care Act), private health plans are required to cover a range of preventive services without any patient cost sharing. Mandating insurance coverage for sexually transmitted disease screenings will therefore increase diagnosis and treatment of sexually transmitted diseases in Hawaii, which will result in a decrease in the rates of infection and costs associated with sexually transmitted diseases.

Your Committee additionally finds that House Bill No. 1897, H.D. 1, S.D. 1, and Senate Bill No. 2323, S.D. 2, introduced during the Regular Session of 2016, ensure that all insurers in the State provide insurance coverage for sexually transmitted disease screenings. Your Committee notes that House Bill No. 1897, H.D. 1, S.D. 1 and Senate Bill No. 2323, S.D. 2, contain an exemption from the requirement for an Auditor's report associated with new mandates for health insurance coverage, since most health insurance plans in the State already provide insurance coverage for sexually transmitted disease screenings. This measure is intended to serve as a backup measure, should House Bill No. 1897, H.D. 1, S.D. 1, and Senate Bill No. 2323, S.D. 2, fail to pass the Legislature and become enacted.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 141 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Kidani, Slom).

SCRep. 3152 Commerce, Consumer Protection, and Health on S.C.R. No. 91

The purpose and intent of this measure is to request the Auditor to perform a sunrise analysis of the regulation of Certified Professional Midwives.

Your Committee received testimony in support of this measure from Kaiser Permanente Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that Certified Professional Midwives are knowledgeable, skilled, and professional independent midwifery practitioners who have met the standards for certification set by the North American Registry of Midwives. Although Certified Professional Midwives are regulated and authorized to practice in thirty states, they are not subject to regulation in Hawaii. Your Committee further finds that it has been seventeen years since the last sunrise analysis was conducted by the Auditor and an updated study of the regulation of this profession is therefore needed.

Your Committee additionally finds that this measure requests the Auditor to conduct a sunrise analysis on the regulation of Certified Professional Midwives, as proposed by House Bill No. 1899, H.D. 1, Regular Session of 2016. The Auditor's analysis would set forth the probable effects of the proposed regulatory measure, assess whether its enactment is consistent with section 26H-6, Hawaii Revised Statutes, and assess alternative forms of regulation. Your Committee notes that a sunrise analysis is the necessary next step that must be taken to determine whether regulation in Hawaii of Certified Professional Midwives is warranted.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 91 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3153 Housing on S.C.R. No. 87

The purpose and intent of this measure is to request the Hawaii Public Housing Authority to document violations of its prohibition on smoking in and around public housing.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Hawaii Public Housing Authority.

Your Committee finds that section 356D-6.5, Hawaii Revised Statutes, assists in providing smoke-free environments for families by prohibiting smoking in and around public housing projects, state low-income housing projects, and elder or elderly households. Due to the long-term effects of the residual contamination from the use of cigarettes, cigars, or other tobacco products that remains in enclosed indoor spaces, or "thirdhand smoke", violators of smoking prohibitions may negatively affect the health of subsequent tenants and guests of public housing projects, state low-income housing projects, and elder or elderly households. While enforcement of smoking prohibitions is challenging, this measure encourages the Hawaii Public Housing Authority to keep violators of smoking prohibitions accountable for their actions by considering these violations when evaluating whether to continue or form a lease agreement in the future with the violator.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 87 and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Galuteria, Green, Taniguchi).

SCRep. 3154 Housing on S.R. No. 58

The purpose and intent of this measure is to request the Hawaii Public Housing Authority to document violations of its prohibition on smoking in and around public housing.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Hawaii Public Housing Authority.

Your Committee finds that section 356D-6.5, Hawaii Revised Statutes, assists in providing smoke-free environments for families by prohibiting smoking in and around public housing projects, state low-income housing projects, and elder or elderly households. Due to the long-term effects of the residual contamination from the use of cigarettes, cigars, or other tobacco products that remains in enclosed indoor spaces, or "thirdhand smoke", violators of smoking prohibitions may negatively affect the health of subsequent tenants and guests of public housing projects, state low-income housing projects, and elder or elderly households. While enforcement of smoking prohibitions is challenging, this measure encourages the Hawaii Public Housing Authority to keep violators of smoking prohibitions accountable for their actions by considering these violations when evaluating whether to continue or form a lease agreement in the future with the violator.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 58 and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Galuteria, Green, Taniguchi).

SCRep. 3155 Commerce, Consumer Protection, and Health on S.C.R. No. 85

The purpose and intent of this measure is to affirm the State's support for Planned Parenthood, recognizing its vital role in providing health care, and denouncing violence toward abortion providers and their patients.

Your Committee received testimony in support of this measure from Planned Parenthood Votes Northwest and Hawaii; Hawai'i State Democratic Women's Caucus; Hawaii Youth Services Network; Hawaii Nurses Association, OPEIU Local 50; Hawaii Association of Professional Nurses; YWCA Oahu; American Association of University Women of Hawaii; Hawaii State Commission on the Status of Women; and seventy-three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Catholic Conference, PEACE Hawai'i, Hawaii Family Forum, and twenty-two individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that Planned Parenthood of the Great Northwest and the Hawaiian Islands, an affiliate of Planned Parenthood Federation of America (Planned Parenthood), is a non-profit organization providing medical care and education for women, men, and families throughout diverse communities. Planned Parenthood offers cancer screenings, pregnancy testing and counseling, testing and treatment for sexually transmitted infections, comprehensive sexual health education, preventive health care services, birth control for men and women, emergency contraception, and abortion services, as well as resources on a variety of issues that impact children, families, and young adults, including sexual health education resources.

Your Committee further finds that Planned Parenthood has been under attack in recent months due to a series of manipulated and misleading videos released by an anti-abortion health organization, the Center for Medical Progress, that supposedly depicts Planned Parenthood illegally trying to sell fetal body parts. However, no investigations have any evidence of such acts. In fact, in January 2016, after an investigation into Planned Parenthood's alleged sale of fetal tissue, a Texas grand jury indicted Planned Parenthood's accusers, two activists from the Center for Medical Progress. According to Planned Parenthood, officials in eleven states have cleared Planned Parenthood of wrongdoings, and officials in another eight states declined to even investigate the accusations made by the Center for Medical Progress. Your Committee recognizes the positive contributions of Planned Parenthood to the health and well-being of numerous Hawaii residents and urges the State to reaffirm its support for the continued provision of crucial health care services.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 85 and recommends that it be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Espero). Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3156 Commerce, Consumer Protection, and Health on S.R. No. 56

The purpose and intent of this measure is to affirm the State's support for Planned Parenthood, recognizing its vital role in providing health care, and denouncing violence toward abortion providers and their patients.

Your Committee received testimony in support of this measure from Planned Parenthood Votes Northwest and Hawaii; Hawai'i State Democratic Women's Caucus; Hawaii Youth Services Network; Hawaii Nurses Association, OPEIU Local 50; Hawaii Association of Professional Nurses; YWCA Oahu; American Association of University Women of Hawaii; Hawaii State Commission on the Status of Women; and seventy-three individuals. Your Committee received testimony in opposition to this measure from the Hawaii Catholic Conference, PEACE Hawai'i, Hawaii Family Forum, and twenty-two individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that Planned Parenthood of the Great Northwest and the Hawaiian Islands, an affiliate of Planned Parenthood Federation of America (Planned Parenthood), is a non-profit organization providing medical care and education for women, men, and families throughout diverse communities. Planned Parenthood offers cancer screenings, pregnancy testing and counseling, testing and treatment for sexually transmitted infections, comprehensive sexual health education, preventive health care services, birth control for men and women, emergency contraception, and abortion services, as well as resources on a variety of issues that impact children, families, and young adults, including sexual health education resources.

Your Committee further finds that Planned Parenthood has been under attack in recent months due to a series of manipulated and misleading videos released by an anti-abortion health organization, the Center for Medical Progress, that supposedly depicts Planned Parenthood illegally trying to sell fetal body parts. However, no investigations have any evidence of such acts. In fact, in January 2016, after an investigation into Planned Parenthood's alleged sale of fetal tissue, a Texas grand jury indicted Planned Parenthood's accusers, two activists from the Center for Medical Progress. According to Planned Parenthood, officials in eleven states have cleared Planned Parenthood of wrongdoings, and officials in another eight states declined to even investigate the accusations made by the Center for Medical Progress. Your Committee recognizes the positive contributions of Planned Parenthood to the health and well-being of numerous Hawaii residents and urges the State to reaffirm its support for the continued provision of crucial health care services.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 56 and recommends that it be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3157 Commerce, Consumer Protection, and Health on S.C.R. No. 88

The purpose and intent of this measure is to request the Department of Health to establish fees through the rulemaking process for the licensure, certification, and recertification of various facilities seeking licensure or certification by the Department.

Your Committee received testimony in support of this measure from the Department of Health. Your Committee received testimony in opposition to this measure from ARCA.

Your Committee finds that the Department of Health is responsible for establishing fees for licensure and certification of health care facilities in the State. Pursuant to section 321-11.5, Hawaii Revised Statutes, the Department of Health may establish reasonable fees for the issuance or renewal of licenses, permits, variances, and various certificates required by law or by the Department's rules.

Your Committee further finds that currently, health care facilities do not pay any licensing fee, even though health care professionals and other professionals are subject to certain licensing fees, and the establishment of fees will produce fee revenue that will directly support the Department of Health's licensing and certification program.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 88 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Kidani, Slom).

SCRep. 3158 Commerce, Consumer Protection, and Health on S.C.R. No. 90

The purpose and intent of this measure is to request the Chief of the Department of Health Emergency Medical Services and Injury Prevention System Branch to convene and chair a working group to develop a community paramedic program, including educational standards for certifications, to alleviate emergency services from responding to non-emergency calls.

Your Committee received testimony in support of this measure from the University of Hawai'i System, American Medical Response, and one individual.

Your Committee finds that the City and County of Honolulu Emergency Medical Services ran almost ninety thousand calls in 2015. Of these calls, many are from repeat callers who call multiple times per day for issues that do not need emergency services, but rather general assistance. As the call volume rises each year and the number of ambulance stations remains the same, it is critical to develop proposals to establish community paramedic services to provide the appropriate services for these repeat callers who would otherwise be using resources that could best serve individuals who need emergency medical services.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Kidani, Slom).

SCRep. 3159 Commerce, Consumer Protection, and Health on S.C.R. No. 74

The purpose and intent of this measure is to urge the Legislature to convene a working group to research, discuss, and make recommendations regarding edible medical marijuana products.

Your Committee received testimony in support of this measure from the Drug Policy Forum of Hawai'i; Hawai'i Dispensary Alliance; Hawaii Association of Professional Nurses; Ho'omana Pono, LLC; Kush Bottles Hawai'i; Drug Policy Action Group; and fourteen individuals. Your Committee received comments on this measure from the Department of Transportation, Legislative Reference Bureau, and one individual.

Your Committee finds that chapter 329D, Hawaii Revised Statutes, was enacted pursuant to Act 241, Session Laws of Hawaii 2015, to establish medical marijuana dispensaries that may begin operations in July 2016. As Hawaii expands its medical marijuana program through dispensaries, it is important that continuous research and discussion occur pertaining to medical marijuana best practices, including issues related to manufactured marijuana products. While the types of manufactured marijuana products permitted to be manufactured by medical marijuana dispensaries are limited to the types enumerated in section 329D-10, Hawaii Revised Statutes, recommendations on whether to also allow edible medical marijuana products may be beneficial.

Your Committee notes that House Bill No. 2707, H.D. 2, S.D. 1, Regular Session of Hawaii 2016, establishes, among other things, a legislative oversight working group to develop and recommend legislation to improve the medical marijuana dispensary system in the State by addressing issues related to the operations of medical marijuana dispensaries, including whether to include edibles as a manufactured marijuana product.

Your Committee has amended this measure by:

- (1) Adding the Director of Transportation, or the Director's designee, as a member of 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 Commerce, Consumer Protection, and Health 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 your 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, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3160 Commerce, Consumer Protection, and Health on S.R. No. 45

The purpose and intent of this measure is to urge the Legislature to convene a working group to research, discuss, and make recommendations regarding edible medical marijuana products.

Your Committee received testimony in support of this measure from the Drug Policy Forum of Hawai'i; Hawai'i Dispensary Alliance; Hawaii Association of Professional Nurses; Ho'omana Pono, LLC; Kush Bottles Hawai'i; Drug Policy Action Group; and fourteen individuals. Your Committee received comments on this measure from the Department of Transportation, Legislative Reference Bureau, and one individual.

Your Committee finds that chapter 329D, Hawaii Revised Statutes, was enacted pursuant to Act 241, Session Laws of Hawaii 2015, to establish medical marijuana dispensaries that may begin operations in July 2016. As Hawaii expands its medical marijuana program through dispensaries, it is important that continuous research and discussion occur pertaining to medical marijuana best practices, including issues related to manufactured marijuana products. While the types of manufactured marijuana products permitted to be manufactured by medical marijuana dispensaries are limited to the types enumerated in section 329D-10, Hawaii Revised Statutes, recommendations on whether to also allow edible medical marijuana products may be beneficial.

Your Committee notes that House Bill No. 2707, H.D. 2, S.D. 1, Regular Session of Hawaii 2016, establishes, among other things, a legislative oversight working group to develop and recommend legislation to improve the medical marijuana dispensary system in the State by addressing issues related to the operations of medical marijuana dispensaries, including whether to include edibles as a manufactured marijuana product.

Your Committee has amended this measure by:

- (1) Adding the Director of Transportation, or the Director's designee, as a member of 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 45, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 45, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3161 Human Services on S.R. No. 82

The purpose and intent of this measure is to request the Department of Human Services Med-Quest Division to submit an annual Medicaid enrollment report to the Legislature.

Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that this measure requests that the Department of Human Services provide meaningful data on costs borne by the State to administer Medicaid, which will enable lawmakers and the Department to formulate sound, well informed policies regarding the administration of the Medicaid program.

As affirmed by the record of votes of the members of your Committee on Human Services 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Ruderman).

SCRep. 3162 Education on S.C.R. No. 73

The purpose and intent of this measure is to request the Department of Education to:

- (1) Convene an advisory committee to identify best practices for project-based learning; and
- (2) Provide resources, training, and support to schools and educators for project-based learning opportunities.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and Hawaii Youth Services Network. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that project-based learning fosters critical thinking, communication and language skills, collaboration, and creativity while motivating students to explore new things. Project-based learning also facilitates higher quality learning in many different kinds of students by allowing students with different learning styles to approach the subject matter in the way best suited to their style of learning. Increased support and the use of best practices for project-based learning would benefit Hawai'i's students and lay a foundation for stronger communities throughout the State. Your Committee further finds that the Department of Education has taken steps to implement project-based learning, and that an advisory committee is not necessary for the Department to identify best practices.

Your Committee has amended this measure by:

- (1) Removing the establishment of an advisory committee and instead request the Department of Education to identify best practices for project-based learning;
- (2) Amending its title to reflect the removal of the advisory committee; 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 concurs with the intent and purpose of S.C.R. No. 73, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 73, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3163 Education on S.R. No. 44

The purpose and intent of this measure is to request the Department of Education to:

- (1) Convene an advisory committee to identify best practices for project-based learning; and
- (2) Provide resources, training, and support to schools and educators for project-based learning opportunities.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and Hawaii Youth Services Network. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that project-based learning fosters critical thinking, communication and language skills, collaboration, and creativity while motivating students to explore new things. Project-based learning also facilitates higher quality learning in many different kinds of students by allowing students with different learning styles to approach the subject matter in the way best suited to their style of learning. Increased support and the use of best practices for project-based learning would benefit Hawaii's students and lay a foundation for stronger communities throughout the State. Your Committee further finds that the Department of Education has taken steps to implement project-based learning, and that an advisory committee is not necessary for the Department to identify best practices.

Your Committee has amended this measure by:

- (1) Removing the establishment of an advisory committee and instead request the Department of Education to identify best practices for project-based learning;
- (2) Amending its title to reflect the removal of the advisory committee; 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 concurs with the intent and purpose of S.R. No. 44, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 44, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3164 Education on S.C.R. No. 110

The purpose and intent of this measure is to request the Department of Education to:

- (1) Affirm its commitment to uphold the tenants of Title IX of the Education Amendment Act of 1972; and
- (2) Study and report on the addition of a Title IX coordinator to each complex area.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii Civil Rights Commission, Hawaii State Commission on the Status of Women, Hawaii State Democratic Women's Caucus, Hawaii Women's Coalition, American Association of University Women Hawaii, Planned Parenthood Votes Northwest and Hawaii, Young Women's Christian Association, and one individual.

Your Committee finds that Title IX, which prohibits discrimination on the basis of sex in the administration of any educational program or activity receiving federal financial assistance, was enacted more than forty years ago. In that time, great progress has been made toward eliminating sex discrimination in education, but your Committee finds that more work remains to be done. Until recently, the Department of Education did not have a Title IX coordinator, and access to services and reporting under Title IX remains difficult throughout much of the State. This measure works to help address this by requesting the Department of Education to, among other things, increase accessibility to Title IX information and resources, increase Title IX staff, and provide training on Title IX's 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 Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 110, as amended herein, and recommends that it be referred to your Committee on Judiciary and Labor, in the form attached hereto as S.C.R. No. 110, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3165 Education on S.R. No. 76

The purpose and intent of this measure is to request the Department of Education to:

- (1) Affirm its commitment to uphold the tenants of Title IX of the Education Amendment Act of 1972; and
- (2) Study and report on the addition of a Title IX coordinator to each complex area.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii Civil Rights Commission, Hawaii State Commission on the Status of Women, Hawaii State Democratic Women's Caucus, Hawaii Women's

Coalition, American Association of University Women Hawaii, Planned Parenthood Votes Northwest and Hawaii, Young Women's Christian Association, and one individual.

Your Committee finds that Title IX, which prohibits discrimination on the basis of sex in the administration of any educational program or activity receiving federal financial assistance, was enacted more than forty years ago. In that time, great progress has been made toward eliminating sex discrimination in education, but your Committee finds that more work remains to be done. Until recently, the Department of Education did not have a Title IX coordinator, and access to services and reporting under Title IX remains difficult throughout much of the State. This measure works to help address this by requesting the Department of Education to, among other things, increase accessibility to Title IX information and resources, increase Title IX staff, and provide training on Title IX's 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 Education 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 your 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, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3166 Education on S.C.R. No. 143

The purpose and intent of this measure is to request that the Department of Education provide equipment and personnel necessary for a full-service conventional kitchen at Keaukaha Elementary School.

Your Committee received testimony in support of this measure from Keaukaha One Youth Development, Keaukaha Community Association, Keaukaha School Parent Teacher Association, sixty-eight individuals, and a petition signed by more than two hundred thirty individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Department of Education completed the construction of a new cafetorium at Keaukaha Elementary School to replace the aging cafeteria and kitchen that had previously existed. During construction, food service personnel and functions were moved to other schools in the complex area. Although the completed cafetorium facility has all the necessary infrastructure in place to support a full-service kitchen, the school lacks kitchen equipment and necessary staff. Meals for students at Keaukaha Elementary School must be brought in from other schools, which results in frequent delays and insufficient meals for students. Your Committee further finds that your Committee on Ways and Means recently added appropriations to the fiscal year 2016-2017 budget for capital improvement projects related to kitchen equipment and facilities in public schools.

Your Committee has amended this measure by:

- (1) Noting that the Senate Committee on Ways and Means has added additional appropriations to the fiscal year 2016-2017 budget for capital improvement projects related to kitchen equipment and facilities in public schools; and
- (2) Providing that Keaukaha Elementary School should use some of its cafeteria funds to hire additional kitchen staff.

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. 143, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 143, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3167 Education on S.R. No. 105

The purpose and intent of this measure is to request that the Department of Education provide equipment and personnel necessary for a full-service conventional kitchen at Keaukaha Elementary School.

Your Committee received testimony in support of this measure from Keaukaha One Youth Development, Keaukaha Community Association, Keaukaha School Parent Teacher Association, sixty-eight individuals, and a petition signed by more than two hundred thirty individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Department of Education completed the construction of a new cafetorium at Keaukaha Elementary School to replace the aging cafeteria and kitchen that had previously existed. During construction, food service personnel and functions were moved to other schools in the complex area. Although the completed cafetorium facility has all the necessary infrastructure in place to support a full-service kitchen, the school lacks kitchen equipment and necessary staff. Meals for students at Keaukaha Elementary School must be brought in from other schools, which results in frequent delays and insufficient meals for students. Your Committee further finds that your Committee on Ways and Means recently added appropriations to the fiscal year 2016-2017 budget for capital improvement projects related to kitchen equipment and facilities in public schools.

Your Committee has amended this measure by:

- (1) Noting that the Senate Committee on Ways and Means has added additional appropriations to the fiscal year 2016-2017 budget for capital improvement projects related to kitchen equipment and facilities in public schools; and
- (2) Providing that Keaukaha Elementary School should use some of its cafeteria funds to hire additional kitchen staff.

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. 105, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 105, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3168 Education on S.C.R. No. 154

The purpose and intent of this measure is to request the Legislative Reference Bureau to conduct a study on the per-pupil funding system to determine whether the system fulfills its statutory purpose of equalizing operational funding among public schools, with assistance from the State Public Charter School Commission.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii Educational Policy Center, Office of Hawaiian Affairs, Hawaii State Teachers Association, Kamehameha Schools, Hawaii Public Charter School Network, Ke Kula 'o Samuel M. Kamakau Laboratory Public Charter School, and one individual. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that public charter schools in Hawaii receive the majority of their funding through general fund appropriations based on a general fund per-pupil allotment. This allotment is based on a formula that adds up the total funding allocated to certain programs within the Department of Education and then distributes monies based on reasonable projected enrollment figures for each public charter school. Under existing law, non-facility general fund per-pupil funding for public charter schools must be the same as the general fund per-pupil amount provided to the Department of Education in its most recently approved executive budget. Your Committee further finds that a study on the per-pupil funding system for public charter schools should involve the participation of more entities and organizations, including the Department of Education, Hawaii Education Policy Center, and Hawaii Public Charter School Network.

Your Committee has amended this measure by:

- (1) Requesting the Department of Education to also provide to the Legislative Reference Bureau the same information that is requested from the State Public Charter School Commission and for that information to be received by the Legislative Reference Bureau by the same date;
- (2) Broadening the scope of the information requested from the Department of Education and State Public Charter School Commission to include details of the present system of funding for public charter schools;
- (3) Requesting that the Hawaii Education Policy Center and Hawaii Public Charter School Network also provide information and assistance to the Legislative Reference Bureau; 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. 154, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 154, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3169 Education on S.R. No. 116

The purpose and intent of this measure is to request the Legislative Reference Bureau to conduct a study on the per-pupil funding system to determine whether the system fulfills its statutory purpose of equalizing operational funding among public schools, with assistance from the State Public Charter School Commission.

Your Committee received testimony in support of this measure from the State Public Charter School Commission, Hawaii Educational Policy Center, Office of Hawaiian Affairs, Hawaii State Teachers Association, Kamehameha Schools, Hawaii Public Charter School Network, Ke Kula 'o Samuel M. Kamakau Laboratory Public Charter School, and one individual. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that public charter schools in Hawaii receive the majority of their funding through general fund appropriations based on a general fund per-pupil allotment. This allotment is based on a formula that adds up the total funding allocated to certain programs within the Department of Education and then distributes monies based on reasonable projected enrollment figures for each public charter school. Under existing law, non-facility general fund per-pupil funding for public charter schools must be the same as the general fund per-pupil amount provided to the Department of Education in its most recently approved executive budget. Your Committee further finds that a study on the per-pupil funding system for public charter schools should involve the participation of more entities and organizations, including the Department of Education, Hawaii Education Policy Center, and Hawaii Public Charter School Network.

Your Committee has amended this measure by:

- (1) Requesting the Department of Education to also provide to the Legislative Reference Bureau the same information that is requested from the State Public Charter School Commission and for that information to be received by the Legislative Reference Bureau by the same date;
- (2) Broadening the scope of the information requested from the Department of Education and State Public Charter School Commission to include details of the present system of funding for public charter schools;
- (3) Requesting that the Hawaii Education Policy Center and Hawaii Public Charter School Network also provide information and assistance to the Legislative Reference Bureau; 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. 116, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 116, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3170 Education on S.C.R. No. 157

The purpose and intent of this measure is to request the Department of Education to reduce the use of standardized testing in the public education system and develop authentic assessments for schools that do not rely on standardized testing.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and three individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that since the enactment of the federal No Child Left Behind Act of 2001 and the Race to the Top program in 2009, Hawaii has shifted its focus in public education to preparing students for standardized testing. In recent surveys, teachers in the State have reported feeling considerable pressure to improve test scores. Recent surveys further suggest that only thirty-one percent of parents support using standardized test scores to evaluate teachers. With the recent enactment of the federal Every Student Succeeds Act, states now have increased flexibility in the use of standardized testing. Your Committee further finds that the State should take the opportunity afforded by this flexibility to reduce the use of standardized testing and develop alternative methods of evaluation.

Your Committee has amended this measure by:

- (1) Requesting the Department of Education and the Board of Education to hold meetings with principals, parents, and teachers for the purposes of gathering diverse input on the impacts of standardized testing and alternative practices; 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. 157, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 157, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3171 Education on S.R. No. 119

The purpose and intent of this measure is to request the Department of Education to reduce the use of standardized testing in the public education system and develop authentic assessments for schools that do not rely on standardized testing.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and three individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that since the enactment of the federal No Child Left Behind Act of 2001 and the Race to the Top program in 2009, Hawaii has shifted its focus in public education to preparing students for standardized testing. In recent surveys, teachers in the State have reported feeling considerable pressure to improve test scores. Recent surveys further suggest that only thirty-one percent of parents support using standardized test scores to evaluate teachers. With the recent enactment of the federal Every Student Succeeds Act, states now have increased flexibility in the use of standardized testing. Your Committee further finds that the State should take the opportunity afforded by this flexibility to reduce the use of standardized testing and develop alternative methods of evaluation.

Your Committee has amended this measure by:

- (1) Requesting the Department of Education and the Board of Education to hold meetings with principals, parents, and teachers for the purposes of gathering diverse input on the impacts of standardized testing and alternative practices; 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.R. No. 119, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 119, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3172 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 69

The purpose and intent of this measure is to endorse, encourage, and continue efforts of reformation of the military's investigatory and prosecutorial guidelines for and reporting of sexual crimes involving children in order to create a safe environment for the nation's service members and their children.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that child sexual abuse has a devastating effect on its victims. This crime can remain hidden for years, resulting in the victims remaining vulnerable and unable to receive the help and justice that they require and deserve. Your Committee further finds that the existing reporting, investigatory, and prosecutorial systems regarding child sexual assault are insufficient and should be reformed immediately.

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. 69 and recommends that it be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3173 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 40

The purpose and intent of this measure is to endorse, encourage, and continue efforts of reformation of the military's investigatory and prosecutorial guidelines for and reporting of sexual crimes involving children in order to create a safe environment for the nation's service members and their children.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that child sexual abuse has a devastating effect on its victims. This crime can remain hidden for years, resulting in the victims remaining vulnerable and unable to receive the help and justice that they require and deserve. Your Committee further finds that the existing reporting, investigatory, and prosecutorial systems regarding child sexual assault are insufficient and should be reformed immediately.

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. 40 and recommends that it be referred to your Committee on Judiciary and Labor.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3174 (Joint) Public Safety, Intergovernmental, and Military Affairs and Housing on S.C.R. No. 127

The purpose and intent of this measure is to request that the City and County of Honolulu establish a business mitigation relief program to assist businesses negatively impacted by the construction of the rail project.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that the ongoing Honolulu rail transit project involves significant construction along its proposed route over a significant period of time. This construction regularly disrupts existing roads and other transit infrastructure and makes it difficult to access areas near active construction sites. Your Committees further find that this disruption has a negative impact on businesses located near the project's route, and has forced at least one locally owned small business to close permanently. Further measures by the City and County of Honolulu are urgently required to mitigate the burdens that the Honolulu rail transit project has placed on those businesses adversely affected by the ongoing construction and resulting traffic disruptions.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 127 and recommend that it be referred to your Committees on Transportation and Energy and Water, Land, and Agriculture.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.
Housing: Ayes, 4. Noes, none. Excused, 3 (Galuteria, Green, Taniguchi).

SCRep. 3175 (Joint) Public Safety, Intergovernmental, and Military Affairs and Housing on S.R. No. 93

The purpose and intent of this measure is to request that the City and County of Honolulu establish a business mitigation relief program to assist businesses negatively impacted by the construction of the rail project.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that the ongoing Honolulu rail transit project involves significant construction along its proposed route over a significant period of time. This construction regularly disrupts existing roads and other transit infrastructure and makes it difficult to access areas near active construction sites. Your Committees further find that this disruption has a negative impact on businesses located near the project's route, and has forced at least one locally owned small business to close permanently. Further measures by the City and County of Honolulu are urgently required to mitigate the burdens that the Honolulu rail transit project has placed on those businesses adversely affected by the ongoing construction and resulting traffic disruptions.

As affirmed by the records of votes of the members of your Committees on Public Safety, Intergovernmental, and Military Affairs and Housing that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 93 and recommend that it be referred to your Committees on Transportation and Energy and Water, Land, and Agriculture.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 5. Noes, none. Excused, none.
Housing: Ayes, 4. Noes, none. Excused, 3 (Galuteria, Green, Taniguchi).

SCRep. 3176 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 84

The purpose and intent of this measure is to encourage the Department of Public Safety to continue and expand its community-based work furlough programs to assist formerly incarcerated female inmates transition back into society.

Your Committee received testimony in support of this measure from the Department of Public Safety; Hawaii State Democratic Women's Caucus; Hawaii State Commission on the Status of Women; Office of Hawaiian Affairs; Young Women's Christian

Association; Ho'omana Pono, LLC; Community Alliance on Prisons; American Association of University Women Hawaii; Hawaii Women's Coalition; and nine individuals.

Your Committee finds that community-based work furlough programs that assist formerly incarcerated persons transition back into society reduce costs of incarceration and rates of recidivism, especially in cases of nonviolent offenders. Research indicates that such programs are effective at reducing the cycle of substance abuse, crime, and incarceration. Your Committee further finds that the majority of female inmates incarcerated in Hawaii are nonviolent offenders, and that many are victims of gender based violence and trauma. Expanding community-based work furlough program opportunities for these individuals will help them re-integrate into society.

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. 84 and recommends that it be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 3177 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 18

The purpose and intent of this measure is to urge the United States Citizenship and Immigration Services to immediately resume biometric intake and interviews on the counties of Hawaii, Maui, and Kauai.

Your Committee received testimony in support of this measure from the Hawaii Coalition for Immigrant Rights, Hawaii Friends of Civil Rights, Inter-Agency Council for Immigrant Services, and seven individuals.

Your Committee finds that Honolulu is the only place in the State in which immigration services are available. Immigrants residing on the neighbor islands who require such services are forced to travel to Honolulu at their own expense in order to obtain or maintain lawful immigration status. The expenses of travel and accommodations, in addition to the application costs associated with United States Citizenship and Immigration Services, are a great financial strain to these immigrants, many of whom are from economically disadvantaged backgrounds. Your Committee finds that restoring biometric intake and interviews on the neighbor islands would relieve an unjust burden of individuals who are the least able to bear that burden.

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. 18, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 18, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 3178 (Joint) Government Operations and Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.C.R. No. 112

The purpose and intent of this measure is to request all state and county agencies to adopt procedures requiring contracts that include the disposal of liquid or solid waste or inert fill material to include a receipt from a licensed waste management facility showing that the waste was properly received and lawfully disposed of prior to making payment to the contractor.

Your Committees received testimony in support of this measure from the Department of Health; Kailua Neighborhood Board; Conservation Council for Hawai'i; 'Ai Pohaku; Larry Jefts Farms, LLC; Sierra Club Hawai'i Chapter, Oahu Group; Hawaii's Thousand Friends; and four individuals.

Your Committees find that there is a need to help control and monitor the disposal of liquid, solid waste, and inert fill material at permitted waste facilities or other authorized sites and prevent companies from dumping waste elsewhere. Implementation of this measure will help deter illegal dumping and benefit the safety, health, and welfare of the environment and the State's residents.

Your Committees have amended this measure by:

- (1) Requesting that receipts from facilities, such as farms or construction sites, reference the holder, rather than number, of the farm soil and water conservation plan or construction permit number, as applicable; 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, Public Safety, Intergovernmental, and Military Affairs, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 112, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 112, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Government Operations: Ayes, 4. Noes, none. Excused, 3 (Ihara, Tokuda, Slom).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).
Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3179 (Joint) Government Operations and Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on S.R. No. 78

The purpose and intent of this measure is to request all state and county agencies to adopt procedures requiring contracts that include the disposal of liquid or solid waste or inert fill material to include a receipt from a licensed waste management facility showing that the waste was properly received and lawfully disposed of prior to making payment to the contractor.

Your Committees received testimony in support of this measure from the Department of Health; Kailua Neighborhood Board; Conservation Council for Hawai'i; 'Ai Pohaku; Larry Jefts Farms, LLC; Sierra Club Hawai'i Chapter, Oahu Group; Hawaii's Thousand Friends; and four individuals.

Your Committees find that there is a need to help control and monitor the disposal of liquid, solid waste, and inert fill material at permitted waste facilities or other authorized sites and prevent companies from dumping waste elsewhere. Implementation of this measure will help deter illegal dumping and benefit the safety, health, and welfare of the environment and the State's residents.

Your Committees have amended this measure by:

- (1) Requesting that receipts from facilities, such as farms or construction sites, reference the holder, rather than number, of the farm soil and water conservation plan or construction permit number, as applicable; 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, Public Safety, Intergovernmental, and Military Affairs, and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 78, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 78, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Ihara, Tokuda, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3180 (Joint) Government Operations and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 132

The purpose and intent of this measure is to:

- (1) Request that the state departments and counties affirm the tenets and principles found in the United Nations Convention on the Elimination of All Forms of Discrimination Against Women;
- (2) Urge the state departments and the counties to work with the Hawaii State Commission on the Status of Women to develop gender analysis guidelines; and
- (3) Urge the Department of Human Resources Development and the counties to implement a gender analysis of governmental functions.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Planned Parenthood Votes Northwest and Hawaii, YWCA O'ahu, American Association of University Women of Hawaii, and one individual.

Your Committees find that in 1981, the Convention on the Elimination of All Forms of Discrimination against Women entered into force as an international treaty, and is the only human rights treaty focused on women's rights. The "Cities for the Convention on the Elimination of All Forms of Discrimination Against Women" campaign seeks to protect the rights of women and girls by passing ordinances that establish the principles of the treaty in cities and towns across the United States. The City and County of Honolulu has become the most recent city to join the Cities for the Convention on the Elimination of All Forms of Discrimination Against Women campaign, and implementation of this measure will address the barriers that reduce the quality of life and equity of opportunity for women and girls.

As affirmed by the records of votes of the members of your Committees on Government Operations 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. 132 and recommend that it be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Ihara, Tokuda, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 3181 (Joint) Government Operations and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 97

The purpose and intent of this measure is to:

- (1) Request that the state departments and counties affirm the tenets and principles found in the United Nations Convention on the Elimination of All Forms of Discrimination Against Women;
- (2) Urge the state departments and the counties to work with the Hawaii State Commission on the Status of Women to develop gender analysis guidelines; and
- (3) Urge the Department of Human Resources Development and the counties to implement a gender analysis of governmental functions.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Planned Parenthood Votes Northwest and Hawaii, YWCA O'ahu, American Association of University Women of Hawaii, and one individual.

Your Committees find that in 1981, the Convention on the Elimination of All Forms of Discrimination against Women entered into force as an international treaty, and is the only human rights treaty focused on women's rights. The "Cities for the Convention on the Elimination of All Forms of Discrimination Against Women" campaign seeks to protect the rights of women and girls by passing ordinances that establish the principles of the treaty in cities and towns across the United States. The City and County of Honolulu has become the most recent city to join the Cities for the Convention on the Elimination of All Forms of Discrimination Against Women campaign, and implementation of this measure will address the barriers that reduce the quality of life and equity of opportunity for women and girls.

As affirmed by the records of votes of the members of your Committees on Government Operations 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. 97 and recommend that it be referred to your Committee on Judiciary and Labor.

Signed by the Chairs on behalf of the Committees.

Government Operations: Ayes, 4. Noes, none. Excused, 3 (Ihara, Tokuda, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 3182 (Joint) Education and Commerce, Consumer Protection, and Health on S.C.R. No. 79

The purpose and intent of this measure is to request the Department of Education, Department of Health, and health care industry to establish health academies at high schools throughout the State.

Your Committees received testimony in support of this measure from the Department of Education and Healthcare Association of Hawaii.

Your Committees find that the physician workforce in Hawaii has decreased in recent years. A study conducted by the John A. Burns School of Medicine indicates that there is currently a shortage of physicians in Hawaii estimated at six hundred fifty-five full-time equivalent physicians, and that the shortage will probably reach eight hundred by 2020. Your Committees further find that the Farrington Health Academy was established in 1991 and offers a three-year interdisciplinary program to students who are interested in developing career interests in health care. Your Committees also find that additional health academy programs at high schools following the model of the Farrington Health Academy could encourage students to enter the health care workforce.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 79 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3183 (Joint) Education and Commerce, Consumer Protection, and Health on S.R. No. 50

The purpose and intent of this measure is to request the Department of Education, Department of Health, and health care industry to establish health academies at high schools throughout the State.

Your Committees received testimony in support of this measure from the Department of Education and Healthcare Association of Hawaii.

Your Committees find that the physician workforce in Hawaii has decreased in recent years. A study conducted by the John A. Burns School of Medicine indicates that there is currently a shortage of physicians in Hawaii estimated at six hundred fifty-five full-time equivalent physicians, and that the shortage will probably reach eight hundred by 2020. Your Committees further find that the Farrington Health Academy was established in 1991 and offers a three-year interdisciplinary program to students who are interested in developing career interests in health care. Your Committees also find that additional health academy programs at high schools following the model of the Farrington Health Academy could encourage students to enter the health care workforce.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 50 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3184 (Joint) Education and Commerce, Consumer Protection, and Health on S.C.R. No. 135

The purpose and intent of this measure is to request the Executive Office on Early Learning to collaborate with the Executive Office on Aging to encourage care providers of keiki and kupuna to create intergenerational shared sites for the betterment of Hawaii's communities.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the Executive Office on Early Learning.

Your Committees find that many elderly persons in the State experience social isolation as well as physical and mental decline. Although Hawaii has a historic and cultural tradition of multigenerational living, families currently are more often forced to live apart. As a result, elderly persons are deprived of opportunities to enrich the lives of their family members and children are deprived of

meaningful interaction with and learning from their elders. Some shared care sites in Honolulu, Kapolei, and Kahului have successfully implemented intergenerational programs, where children, youth, and older adults participate in services and programs concurrently at the same site or on the same campus. Your Committees further find that increased implementation of intergenerational programs will benefit elderly persons as well as children throughout Hawaii.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 135 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3185 (Joint) Education and Commerce, Consumer Protection, and Health on S.R. No. 100

The purpose and intent of this measure is to request the Executive Office on Early Learning to collaborate with the Executive Office on Aging to encourage care providers of keiki and kupuna to create intergenerational shared sites for the betterment of Hawaii's communities.

Your Committees received testimony in support of this measure from one individual. Your Committees received comments on this measure from the Executive Office on Early Learning.

Your Committees find that many elderly persons in the State experience social isolation as well as physical and mental decline. Although Hawaii has a historic and cultural tradition of multigenerational living, families currently are more often forced to live apart. As a result, elderly persons are deprived of opportunities to enrich the lives of their family members and children are deprived of meaningful interaction with and learning from their elders. Some shared care sites in Honolulu, Kapolei, and Kahului have successfully implemented intergenerational programs, where children, youth, and older adults participate in services and programs concurrently at the same site or on the same campus. Your Committees further find that increased implementation of intergenerational programs will benefit elderly persons as well as children throughout Hawaii.

As affirmed by the records of votes of the members of your Committees on Education and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 100 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Kahele).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3186 Education on S.C.R. No. 51

The purpose and intent of this measure is to request the Department of Education to offer courses in 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 Communication Access Board. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that American Sign Language is a separate language from English, with its own vocabulary and grammatical rules. American Sign Language is the third most studied language in the United States, and it is valuable to individuals with hearing impaired friends and family members as well as to the public as a marketable skill. Your Committee further finds that although the Department of Education offers some courses in American Sign Language, Hawaii's students would benefit if the ability to study the language were more readily available.

Your Committee has amended this measure by recognizing that the Department of Education does offer minimal courses in American Sign Language.

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. 51, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 51, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3187 Education on S.R. No. 25

The purpose and intent of this measure is to request the Department of Education to offer courses in 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 Communication Access Board. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that American Sign Language is a separate language from English, with its own vocabulary and grammatical rules. American Sign Language is the third most studied language in the United States, and it is valuable to individuals with hearing impaired friends and family members as well as to the public as a marketable skill. Your Committee further finds that although the Department of Education offers some courses in American Sign Language, Hawaii's students would benefit if the ability to study the language were more readily available.

Your Committee has amended this measure by recognizing that the Department of Education does offer minimal courses in American Sign Language.

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. 25, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 25, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3188 (Joint) Higher Education and the Arts and Government Operations on S.C.R. No. 81

The purpose and intent of this measure is to establish a task force 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 State Foundation on Culture and the Arts and Center for Hawaiian Sovereignty Studies.

Your Committees find that after nearly fifty years since its construction, the Hawaii State Capitol remains a unique and architecturally significant structure among the fifty state capitols of the United States of America. Your Committees further find that this measure begins a process of planning for recognizing and celebrating the importance of the Hawaii State Capitol to the State of Hawaii.

Your Committees note that 2019 will mark the sixtieth anniversary of Hawaii's statehood. Your Committees therefore suggest that next year this body consider enacting a measure similar to the present measure in order to plan and coordinate a celebration for the sixtieth anniversary of Hawaii's statehood.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 81 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Kahele, Kidani).
Government Operations: Ayes, 5. Noes, none. Excused, 2 (Shimabukuro, Tokuda).

SCRep. 3189 (Joint) Higher Education and the Arts and Government Operations on S.R. No. 52

The purpose and intent of this measure is to establish a task force 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 State Foundation on Culture and the Arts and Center for Hawaiian Sovereignty Studies.

Your Committees find that after nearly fifty years since its construction, the Hawaii State Capitol remains a unique and architecturally significant structure among the fifty state capitols of the United States of America. Your Committees further find that this measure begins a process of planning for recognizing and celebrating the importance of the Hawaii State Capitol to the State of Hawaii.

Your Committees note that 2019 will mark the sixtieth anniversary of Hawaii's statehood. Your Committees therefore suggest that next year this body consider enacting a measure similar to the present measure in order to plan and coordinate a celebration for the sixtieth anniversary of Hawaii's statehood.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 52 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.
Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Kahele, Kidani).
Government Operations: Ayes, 5. Noes, none. Excused, 2 (Shimabukuro, Tokuda).

SCRep. 3190 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) 3-6-001: seaward of 042, Waikiki, Honolulu, Oahu, for the maintenance and repair of the existing seawall and steps, and for use, repair, and maintenance of the existing improvements constructed thereon 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 notes that on April 10, 2015, the Board of Land and Natural Resources approved a grant of a fifty-five year non-exclusive easement to resolve the encroachments of the existing seawall and steps identified in this measure, subject to certain conditions. 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 before the Board of Land and Natural Resources may lease submerged lands, and that the proposed easement is subject to this statutory requirement. Your Committee believes that the easement is necessary for the use, repair, and maintenance of the existing seawall and steps and improvements constructed thereon.

As 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, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3191 (Joint) Education and Hawaiian Affairs on S.C.R. No. 52

The purpose and intent of this measure is to request the Department of Education to support an increased emphasis on education in fine arts and Hawaiian studies, including visual arts, music, theatre, dance, Hawaiian and Polynesian studies, Hawaiian language, Native Hawaiian culture, Native Hawaiian traditional and customary practices, and physical education.

Your Committees received testimony in support of this measure from the Aha Moku Advisory Committee, Hawaii State Teachers Association, Kamehameha Schools, IMUAlliance, and two individuals.

Your Committees find that the adoption of high-stakes standards in Hawaii's schools has emphasized testing and testable subjects such as mathematics and language arts in classrooms throughout the State. As a result, students' opportunities to study arts and cultural studies are often minimized. Recent research indicates that education in music, drama, and the visual arts contributes to increases in reasoning skills.

Your Committees further find that the student population in Hawaii's public schools are ethnically and culturally diverse. Additionally, fifty-two percent of the State's public school students come from economically disadvantaged households. A whole child approach to education, which broadens the curriculum to place greater emphasis on visual arts, music, theater, dance, and culturally relevant subject matter, is an investment in the future of Hawaii's students.

As affirmed by the records of votes of the members of your Committees on Education and Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 52 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (Kim, Slom).

SCRep. 3192 (Joint) Education and Hawaiian Affairs on S.R. No. 26

The purpose and intent of this measure is to request the Department of Education to support an increased emphasis on education in fine arts and Hawaiian studies, including visual arts, music, theatre, dance, Hawaiian and Polynesian studies, Hawaiian language, Native Hawaiian culture, Native Hawaiian traditional and customary practices, and physical education.

Your Committees received testimony in support of this measure from the Aha Moku Advisory Committee, Hawaii State Teachers Association, Kamehameha Schools, IMUAlliance, and two individuals.

Your Committees find that the adoption of high-stakes standards in Hawaii's schools has emphasized testing and testable subjects such as mathematics and language arts in classrooms throughout the State. As a result, students' opportunities to study arts and cultural studies are often minimized. Recent research indicates that education in music, drama, and the visual arts contributes to increases in reasoning skills.

Your Committees further find that the student population in Hawaii's public schools are ethnically and culturally diverse. Additionally, fifty-two percent of the State's public school students come from economically disadvantaged households. A whole child approach to education, which broadens the curriculum to place greater emphasis on visual arts, music, theater, dance, and culturally relevant subject matter, is an investment in the future of Hawaii's students.

As affirmed by the records of votes of the members of your Committees on Education and Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 26 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

Hawaiian Affairs: Ayes, 3. Noes, none. Excused, 2 (Kim, Slom).

SCRep. 3193 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 151

The purpose and intent of this measure is to request the United States Congress to award a Congressional Gold Medal, collectively, to the Filipino veterans of World War II in recognition of their dedicated service.

Your Committee received testimony in support of this measure from the Department of Defense.

Your Committee finds that the Philippine Commonwealth Army fought valiantly alongside the United States and Allied Forces during World War II and played major roles in pivotal campaign battles throughout the Pacific theater. The distinguished service of these veterans helped to ensure a decisive Allied victory. The Filipino veterans of World War II deserve recognition through the prestigious award of the Congressional Gold Medal on behalf of a grateful nation.

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. 151 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3194 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. No. 693

Recommending that the Senate advise and consent to the nomination of the following:

CORRECTIONS POPULATION MANAGEMENT COMMISSION

G.M. No. 693 EDMUND HYUN, for a term to expire 06-30-2017

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Edmund Hyun to possess the requisite qualifications to be nominated to the Corrections Population Management Commission.

Your Committee received testimony in support of the nomination of Edmund Hyun from the Department of Public Safety; Ho‘omana Pono, LLC; The Maritime Group, LLC; and sixteen individuals.

Upon review of the testimony, your Committee finds that Mr. Hyun’s background, experience, and dedication to public service qualify him for appointment to the Corrections Population Management Commission. Your Committee notes that Mr. Hyun has been involved in Hawaii’s criminal justice system since 1972 and has remained involved with offender programs and release even after his retirement in 2003. In particular, Mr. Hyun’s more than twenty years of experience as a supervisor and manager in the Department of Public Safety Intake Services are especially relevant to the issues considered by the Corrections Population Management Commission. Your Committee further finds that Mr. Hyun’s long professional involvement with the Department of Public Safety and his thorough knowledge of the factors affecting inmate populations will be great assets to the Corrections Population Management Commission as it assists the Department in preventing overcrowding in the State’s correctional 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, 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 (Baker, Inouye).

SCRep. 3195 Commerce, Consumer Protection, and Health on S.C.R. No. 140

The purpose and intent of this measure is to request the Auditor to conduct a management audit of the Child and Adolescent Mental Health Division of the Department of Health.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that the clients of the Child and Adolescent Mental Health Division of the Department of Health, who are among the most vulnerable in the community, consist of youths who have encountered mental health difficulties through little or no fault of their own or because they made immature life choices. The cost of the child and adolescent mental health program is substantial--\$63,000,000 for fiscal year 2016-2017, of which \$41,600,000 is general funds. Because of these substantial costs, your Committee finds that the program should be reviewed for its effectiveness and efficiency.

Your Committee further finds that there is concern about the progress of the current reorganization of the Child and Adolescent Mental Health Division, which complicates legislative budget review of program efficiencies and the benefits to, or impacts upon, the children and adolescents who are served by the Division. Your Committee finds that, before committing additional resources to the child and adolescent mental health program, a review of the Child and Adolescent Mental Health Division should be performed to determine the effectiveness and efficiency of its operation.

Your Committee has amended this measure by:

- (1) Deleting language that requested that the Auditor conduct a management audit of the Child and Adolescent Mental Health Division of the Department of Health;
- (2) Inserting findings related to the services provided by the Child and Adolescent Mental Health Division for special education youth with severe mental health conditions and youth in the juvenile correctional facility and detention home;
- (3) Inserting language that requests that the Legislative Reference Bureau conduct a review of the Child and Adolescent Mental Health Division;
- (4) Inserting language related to the information to be included in the requested review by the Legislative Reference Bureau;
- (5) Amending its title; 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, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 140, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 140, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Ruderman).

SCRep. 3196 Water, Land, and Agriculture on S.C.R. No. 130

The purpose and intent of this measure is to request the establishment of a Bona Fide Agricultural Producer Task Force to create a definition for the term “bona fide agricultural producer”.

Your Committee received testimony in support of this measure from Ulupono Initiative; Local Food Coalition; Hawaii Cattlemen’s Council, Inc.; PonoHolo Ranch; and Hawai‘i Farm Bureau. Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that there is no definition for “bona fide agricultural producer” in the Hawaii Revised Statutes, which has led to disagreement among policy makers and stakeholders when crafting legislation and incentives to benefit farmers. Creating a single definition or multiple definitions of “bona fide agricultural producer” may require careful and substantial amendments to the Hawaii Revised Statutes. Creating a single definition will likely require the development of standards and criteria to define what constitutes a qualifying level of performance or achievement for each category of agricultural producer and may need to be broad so as not to inadvertently exclude certain farmers.

Your Committee further finds that the Task Force needs to be mindful that if the counties are also required to use the definition or definitions in their respective zoning ordinances, complex and multiple definitions may be difficult to administer.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 130 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3197 Water, Land, and Agriculture on S.C.R. No. 46

The purpose and intent of this measure is to endorse and support the Ala Wai Watershed Partnership and request a report on its progress in increasing resilience and sustainability of the Ala Wai Watershed and raising financial support for the Partnership.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawai'i Green Growth, and one individual. Your Committee received comments on this measure from Kanehili Cultural Hui.

Your Committee finds that the United States Army Corps of Engineers in partnership with the Hawaii Emergency Management Agency hosted the "Hawaii Disaster Risk Workshop: Mitigating Catastrophic Disaster Risk and Building Resilience in the Ala Wai Watershed" which resulted in the formation of the Ala Wai Watershed Partnership. The Partnership is a voluntary group of state, county, federal, business, and nongovernmental leaders with the goals of mitigating catastrophic natural disaster risk and improving the resilience and sustainability of the Ala Wai Watershed. Your Committee further finds that state endorsement and support of the Partnership will ensure progress of critical flood risk reduction objectives, promote and strengthen public-private and multi-agency partnerships, and bring attention to the importance of the resiliency of the Ala Wai Watershed.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 46 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3198 Water, Land, and Agriculture on S.C.R. No. 72

The purpose and intent of this measure is to express endorsement and support for a unique and aggressive approach by the Department of Land and Natural Resources to use durable and temporary geo-synthetic materials as necessary for the protection of the Kaanapali Beach Walk from shoreline hazards until the beach nourishment program at Kaanapali Beach can be completed.

Your Committee received testimony in support of this measure from Hawaii Hotels & Resorts; Kaanapali Operations Association, Inc.; Classic Resorts Limited; Sheraton Maui Resort & Spa; Westin Maui Resort; and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that Kaanapali Beach Walk is a significant recreational resource on the island of Maui that, due to recent and recurring high wave events, has been threatened by beach erosion. Although the Kaanapali Beach Resort has committed to the nourishment and restoration of Kaanapali Beach in partnership with the State, these efforts are several years away due to permitting. Temporary measures to protect the Beach Walk are needed now. Your Committee further finds that it is essential to use a unique and aggressive approach that will not accelerate beach loss or limit access to the shoreline to ensure that Kaanapali Beach will be enjoyed by residents and visitors throughout the nourishment and restoration project.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 72 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3199 Water, Land, and Agriculture on S.C.R. No. 129

The purpose and intent of this measure is to encourage the Department of Agriculture to adopt standards established by the tea industry to define geographical region designations for tea grown in the State.

Your Committee received testimony in support of this measure from Hawaii Farmers Union United; Hawaii Tea Society; Tea of the United States Awards; Aloha Food Forest, LLC; Matcha Latte Media KK; Onomea Tea Company; and nine individuals. Your Committee received comments on this measure from the Department of Agriculture.

According to testimony submitted to your Committee, geographic indications are defined by the World Trade Organization as originating in the region or locality in that territory where a given quality, reputation, or other characteristics of the product are essentially attributable to the product's geographic origin, such as "Idaho" for potatoes. Geographic indications can be considered as a subset of trademarks. A geographic name alone is not able to be registered as a trademark; however, when used with an acquired distinctiveness, it can be registered as a certification mark under the United States Patent and Trademark Office. The certification mark is used to inform purchasers that the goods meet certain qualifications or standards certified by someone other than the producer.

Your Committee notes that tea is not currently defined as an agricultural commodity under chapter 147, Hawaii Revised Statutes; thus, the Department of Agriculture has testified that if the intent is to require the Department to adopt standards to define geographic region as a certification mark, similar to Hawaii-grown coffee, the Department does not have the authority to do so.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 129 and recommends that it be referred to your Committee on Commerce, Consumer Protection, and Health.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3200 (Joint) Housing and Water, Land, and Agriculture on S.C.R. No. 3

The purpose and intent of this measure is to request the convening of a working group to conduct a needs-based assessment of farm worker housing throughout the State.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Office of Planning; Ho‘omana Pono, LLC; and one individual.

Your Committees find that affordable housing in general is scarce in Hawaii primarily because of the cost of land and construction. For farmers that have long-term agricultural land leases, particularly those that are long-term lessees of agricultural and non-agricultural parks, housing is a challenge as they are frequently unable to provide adequate housing for workers. This measure requests the convening of a working group to assess farm worker housing throughout the State to prevent shortages in adequate farm worker housing that reduce the numbers of available farm workers, which makes it more difficult for farmers in Hawaii who operate small farms to make their farms sustainable.

Your Committees note that the working group may need to be allocated \$10,000 for travel to the neighbor islands, meetings, and additional outreach.

Your Committees have amended this measure by:

- (1) Adding representatives of the Department of Agriculture, Hawai‘i Farm Bureau, and Hawai‘i Farmers Union United to the working group;
- (2) Designating the Office of Planning as the lead agency 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 Housing and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 3, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 3, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Housing: Ayes, 4. Noes, none. Excused, 3 (Green, Taniguchi, Slom).

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3201 Economic Development, Environment, and Technology on S.C.R. No. 83

The purpose and intent of this measure is to request the Access Hawaii Committee, Hawaii Information Consortium, and each state agency who currently has a partnership with the Hawaii Information Consortium to collaborate and provide the Legislature with a comprehensive progress report regarding the activities and expenses of the State’s Internet portal.

Your Committee received testimony in support of this measure from the Office of Enterprise Technology Services. Your Committee received comments on this measure from the Hawaii Information Consortium.

Your Committee finds that a review of the State’s Internet portal’s operational and financial framework will increase citizen understanding of and participation in state and local government. Your Committee supports efforts that will improve the way in which citizens interact with government and identify future Internet services that will expand the level of government information and services that are delivered to citizens with innovative and practical technologies, applications, and funding models.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 83 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Keith-Agaran, Ruderman).

SCRep. 3202 Economic Development, Environment, and Technology on S.R. No. 54

The purpose and intent of this measure is to request the Access Hawaii Committee, Hawaii Information Consortium, and each state agency who currently has a partnership with the Hawaii Information Consortium to collaborate and provide the Legislature with a comprehensive progress report regarding the activities and expenses of the State’s Internet portal.

Your Committee received testimony in support of this measure from the Office of Enterprise Technology Services. Your Committee received comments on this measure from the Hawaii Information Consortium.

Your Committee finds that a review of the State’s Internet portal’s operational and financial framework will increase citizen understanding of and participation in state and local government. Your Committee supports efforts that will improve the way in which citizens interact with government and identify future Internet services that will expand the level of government information and services that are delivered to citizens with innovative and practical technologies, applications, and funding models.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Baker, Galuteria, Keith-Agaran, Ruderman).

SCRep. 3203 Higher Education and the Arts on S.C.R. No. 111

The purpose and intent of this measure is to request that the Legislative Reference Bureau:

- (1) Conduct a survey and evaluation of artist relocation programs and the potential for creation of such a program in the State of Hawaii; and
- (2) 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 2017.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that artist relocation programs may present an opportunity to promote arts and culture, as well as economic development in the State. Your Committee further finds that this measure will provide the Legislature with better information about how and if the State should implement an artist relocation program in Hawaii.

Your Committee has amended this measure by:

- (1) Limiting the survey and evaluation of artist relocation programs to those run by state governments; and
- (2) Requesting that the Legislative Reference Bureau consult with the State Foundation on Culture and the Arts and the Creative Industries Division of the Department of Business, Economic Development, and Tourism in conducting its survey and evaluation.

Your Committee notes the Legislative Reference Bureau's concern about the scope of the survey and evaluation, and has added the State Foundation on Culture and the Arts and the Creative Industries Division to this measure so that these offices can help to narrow the scope of the Bureau's survey and evaluation.

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. 111, as amended herein, and recommends that it be referred to your 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, 3. Noes, none. Excused, 2 (Gabbard, Kahele).

SCRep. 3204 (Joint) Hawaiian Affairs and Higher Education and the Arts on S.R. No. 64

The purpose and intent of this measure is to establish an Ali'i Memorial Art Advisory Task Force to discuss:

- (1) Placement of the Spirit of Lili'uokalani statue to best exemplify Queen Lili'uokalani's majesty; and
- (2) Commissioning permanent works of art commemorating King Kamehameha I, King Kamehameha II (Liholiho), King Kamehameha III (Kauikeaouli), King Kamehameha IV (Alexander Liholiho), King Kamehameha V (Lot Kapu'iwa), King Lunalilo, King Kalakaua, and Queen Lili'uokalani with their likeness and descriptions and including kahili and pulo'ulo'u as symbols of rank and appropriate lighting for security and enhancement of the art.

Your Committees received testimony in support of this measure from the Association of Hawaiian Civic Clubs; Prince Kuhio Hawaiian Civic Club; Ho'omana Pono, LLC; Washington Place Foundation; and eight individuals. Your Committees received testimony in opposition to this measure from Ka Lei Maili Alii Hawaiian Civic Club, Ho'okipa Network-Kauai, and five individuals. Your Committees received comments on this measure from the State Foundation on Culture and the Arts and Office of Hawaiian Affairs.

Your Committees find that the ali'i of the Hawaiian Kingdom are a source of pride for the Hawaiian people, and this measure will help to ensure that each are remembered and honored appropriately. Your Committees have heard the testimony that conveys appreciation for the current placement of the Spirit of Lili'uokalani statue because this placement honors the Queen while expressing her leadership with humility. Your Committees note that this measure is not a mandate to move the Spirit of Lili'uokalani statue, but rather is meant to explore the best placement of the statue.

Your Committees have amended this measure by:

- (1) Revising the membership of the task force to include the Administrator, rather than the Chairperson of the Board of Trustees, of the Office of Hawaiian Affairs;
- (2) Revising the membership of the task force to include one member chosen from among the various non-governmental organizations listed; 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 Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 64, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 64, S.D. 1.

Signed by the Chairs on behalf of the Committees.
 Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).
 Higher Education and the Arts: Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 3205 (Joint) Hawaiian Affairs and Higher Education and the Arts on S.C.R. No. 96

The purpose and intent of this measure is to establish an Ali'i Memorial Art Advisory Task Force to discuss:

- (1) Placement of the Spirit of Lili'uokalani statue to best exemplify Queen Lili'uokalani's majesty; and
- (2) Commissioning permanent works of art commemorating King Kamehameha I, King Kamehameha II (Liholiho), King Kamehameha III (Kauikeaouli), King Kamehameha IV (Alexander Liholiho), King Kamehameha V (Lot Kapuaiwa), King Lunalilo, King Kalakaua, and Queen Lili'uokalani with their likeness and descriptions and including kahili and pulo'ulo'u as symbols of rank and appropriate lighting for security and enhancement of the art.

Your Committees received testimony in support of this measure from the Association of Hawaiian Civic Clubs; Prince Kuhio Hawaiian Civic Club; Ho'omana Pono, LLC; Washington Place Foundation; and eight individuals. Your Committees received testimony in opposition to this measure from Ka Lei Maili Alii Hawaiian Civic Club, Ho'okipa Network-Kauai, and five individuals. Your Committees received comments on this measure from the State Foundation on Culture and the Arts and Office of Hawaiian Affairs.

Your Committees find that the ali'i of the Hawaiian Kingdom are a source of pride for the Hawaiian people, and this measure will help to ensure that each are remembered and honored appropriately. Your Committees have heard the testimony that conveys appreciation for the current placement of the Spirit of Lili'uokalani statue because this placement honors the Queen while expressing her leadership with humility. Your Committees note that this measure is not a mandate to move the Spirit of Lili'uokalani statue, but rather is meant to explore the best placement of the statue.

Your Committees have amended this measure by:

- (1) Revising the membership of the task force to include the Administrator, rather than the Chairperson of the Board of Trustees, of the Office of Hawaiian Affairs;
- (2) Revising the membership of the task force to include one member chosen from among the various non-governmental organizations listed; 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 Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 96, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 96, S.D. 1.

Signed by the Chairs on behalf of the Committees.
 Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).
 Higher Education and the Arts: Ayes, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 3206 Higher Education and the Arts on S.R. No. 77

The purpose and intent of this measure is to request that the Legislative Reference Bureau:

- (1) Conduct a survey and evaluation of artist relocation programs and the potential for creation of such a program in the State of Hawaii; and
- (2) 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 2017.

Your Committee received testimony in support of this measure from the State Foundation on Culture and the Arts. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that artist relocation programs may present an opportunity to promote arts and culture, as well as economic development in the State. Your Committee further finds that this measure will provide the Legislature with better information about how and if the State should implement an artist relocation program in Hawaii.

Your Committee has amended this measure by:

- (1) Limiting the survey and evaluation of artist relocation programs to those run by state governments; and
- (2) Requesting that the Legislative Reference Bureau consult with the State Foundation on Culture and the Arts and the Creative Industries Division of the Department of Business, Economic Development, and Tourism in conducting its survey and evaluation.

Your Committee notes the Legislative Reference Bureau's concern about the scope of the survey and evaluation, and has added the State Foundation on Culture and the Arts and the Creative Industries Division to this measure so that these offices can help to narrow the scope of the Bureau's survey and evaluation.

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. 77, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 77, S.D. 1.

Signed by the Chair on behalf of the Committee.
 Ayes, 3. Noes, none. Excused, 2 (Gabbard, Kahele).

SCRep. 3207 (Joint) Hawaiian Affairs and Water, Land, and Agriculture on S.C.R. No. 68

The purpose and intent of this measure is to request that the Office of Hawaiian Affairs:

- (1) Develop a plan for its five hundred eleven acres of the former Galbraith Estate that includes the Office of Hawaiian Affairs' objectives and goals of contributing to Hawaii's food self-sufficiency, and creating a sustainable and efficient model for agriculture in the State of Hawaii; and
- (2) Report its plan to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs; Ho'omana Pono, LLC; and two individuals.

Your Committees find that the Office of Hawaiian Affairs has committed itself to advancing agricultural practices, yet the five hundred eleven acres of the former Galbraith Estate, which was acquired by the Office of Hawaiian Affairs in 2012 and could be used for agricultural production, remain unused and fallow. This measure urges the Office of Hawaiian Affairs to promptly take advantage of this opportunity to strategically use the five hundred eleven acres of the former Galbraith Estate to make progress toward the agricultural goals of the Office of Hawaiian Affairs.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 68 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3208 (Joint) Hawaiian Affairs and Water, Land, and Agriculture on S.R. No. 39

The purpose and intent of this measure is to request that the Office of Hawaiian Affairs:

- (1) Develop a plan for its five hundred eleven acres of the former Galbraith Estate that includes the Office of Hawaiian Affairs' objectives and goals of contributing to Hawaii's food self-sufficiency, and creating a sustainable and efficient model for agriculture in the State of Hawaii; and
- (2) Report its plan to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs; Ho'omana Pono, LLC; and two individuals.

Your Committees find that the Office of Hawaiian Affairs has committed itself to advancing agricultural practices, yet the five hundred eleven acres of the former Galbraith Estate, which was acquired by the Office of Hawaiian Affairs in 2012 and could be used for agricultural production, remain unused and fallow. This measure urges the Office of Hawaiian Affairs to promptly take advantage of this opportunity to strategically use the five hundred eleven acres of the former Galbraith Estate to make progress toward the agricultural goals of the Office of Hawaiian Affairs.

As affirmed by the records of votes of the members of your Committees on Hawaiian Affairs and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 39 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3209 (Joint) Hawaiian Affairs and Commerce, Consumer Protection, and Health on S.C.R. No. 89

The purpose and intent of this measure is to request that the United States Congress amend the United States Code to ensure that the programs and services of the Native Hawaiian Health Care Improvement Act receive permanent funding.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Ke Ola Mamo, Hui Mālama Ola Nā 'Ōiwi, Papa Ola Lokahi, Ho'ōla Lāhui Hawai'i, and three individuals. Your Committees received comments on this measure from Na Pu'uwai.

Your Committees find that this measure urges the United States Congress to establish permanent funding for the Native Hawaiian Health Care Improvement Act to address the unmet health needs of the Native Hawaiian people, whose health as a group continues to be far below that of the general population of the United States.

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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 89, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 89, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3210 (Joint) Education and Economic Development, Environment, and Technology on S.C.R. No. 147

The purpose and intent of this measure is to encourage the Department of Education to:

- (1) Partner school complex areas with neighboring industries to create K-12 complex area career pathways; and
- (2) Plan, design, and construct an applied technology center at a complex specializing in complex career pathways.

Your Committees received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, IMUAlliance, and one individual.

Your Committees find that skilled employment related to science, technology, engineering, and math are in demand, and that the demand is expected to increase in the future. Research indicates that highly-skilled job openings are likely to expand in many fields, including agriculture, cybersecurity, and technology. Although these job openings require skilled applicants, many of them do not require a college degree. Your Committees further find that Hawaii's high schools are well situated to give students the opportunity to learn skills that will make those students more valuable to local employers upon their graduation. This measure will help provide those opportunities to Hawaii's students.

As affirmed by the records of votes of the members of your Committees on Education and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 147 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Keith-Agaran, Ruderman, Thielen).

SCRep. 3211 (Joint) Education and Economic Development, Environment, and Technology on S.R. No. 109

The purpose and intent of this measure is to encourage the Department of Education to:

- (1) Partner school complex areas with neighboring industries to create K-12 complex area career pathways; and
- (2) Plan, design, and construct an applied technology center at a complex specializing in complex career pathways.

Your Committees received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, IMUAlliance, and one individual.

Your Committees find that skilled employment related to science, technology, engineering, and math are in demand, and that the demand is expected to increase in the future. Research indicates that highly-skilled job openings are likely to expand in many fields, including agriculture, cybersecurity, and technology. Although these job openings require skilled applicants, many of them do not require a college degree. Your Committees further find that Hawaii's high schools are well situated to give students the opportunity to learn skills that will make those students more valuable to local employers upon their graduation. This measure will help provide those opportunities to Hawaii's students.

As affirmed by the records of votes of the members of your Committees on Education and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 109 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Keith-Agaran, Ruderman, Thielen).

SCRep. 3212 (Joint) Education and Human Services on S.C.R. No. 153

The purpose and intent of this measure is to request the Department of Education to form a working group to assist in conducting a two-year pilot program to implement contracts for students with disabilities on a block basis rather than on a one-to-one basis.

Your Committees received testimony in support of this measure from the Department of Education, State Council on Developmental Disabilities, Special Education Advisory Council, and Community Children's Councils. Your Committees received testimony in opposition to this measure from the Hawaii Disability Rights Center. Your Committees received comments on this measure from the Disability and Communication Access Board, Hawaii Association for Behavior Analysis, and one individual.

Your Committees find that students with disabilities often have complex needs that are different from those of other students. The Department of Education provides services to these students with disabilities on a one-to-one basis. Your Committees further find that one-to-one services can prevent students with disabilities from participating in group instruction activities, which can obstruct learning and inhibit peer-to-peer interaction. Providing services to students with disabilities on a block basis will allow students with disabilities to benefit from group instruction. However, your Committees recognize that some students with disabilities have needs that are best addressed with one-to-one services.

Your Committees also find that participation by education administrators would allow the working group to better implement the pilot project. Participation by an adult with disabilities who has gone through the state public school system would also be valuable to the working group.

Your Committees have amended this measure by:

- (1) Clarifying that the contracts on a block basis may be in addition to contracts on a one-to-one basis and amending its title to reflect this change;

- (2) Adding one elementary school principal, one secondary school principal, and one adult who passed through the Hawaii public school system as a student to 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 Education and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 153, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 153, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

Human Services: Ayes, 5. Noes, none. Excused, 2 (Green, Harimoto).

SCRep. 3213 (Joint) Education and Human Services on S.R. No. 115

The purpose and intent of this measure is to request the Department of Education to form a working group to assist in conducting a two-year pilot program to implement contracts for students with disabilities on a block basis rather than on a one-to-one basis.

Your Committees received testimony in support of this measure from the Department of Education, State Council on Developmental Disabilities, Special Education Advisory Council, and Community Children's Councils. Your Committees received testimony in opposition to this measure from the Hawaii Disability Rights Center. Your Committees received comments on this measure from the Disability and Communication Access Board, Hawaii Association for Behavior Analysis, and one individual.

Your Committees find that students with disabilities often have complex needs that are different from those of other students. The Department of Education provides services to these students with disabilities on a one-to-one basis. Your Committees further find that one-to-one services can prevent students with disabilities from participating in group instruction activities, which can obstruct learning and inhibit peer-to-peer interaction. Providing services to students with disabilities on a block basis will allow students with disabilities to benefit from group instruction. However, your Committees recognize that some students with disabilities have needs that are best addressed with one-to-one services.

Your Committees also find that participation by education administrators would allow the working group to better implement the pilot project. Participation by an adult with disabilities who has gone through the state public school system would also be valuable to the working group.

Your Committees have amended this measure by:

- (1) Clarifying that the contracts on a block basis may be in addition to contracts on a one-to-one basis and amending its title to reflect this change;
- (2) Adding one elementary school principal, one secondary school principal, and one adult who passed through the Hawaii public school system as a student to 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 Education and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 115, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 115, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Education: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

Human Services: Ayes, 5. Noes, none. Excused, 2 (Green, Harimoto).

SCRep. 3214 Education on S.C.R. No. 155

The purpose and intent of this measure is to request the Department of Education to abolish the use of teacher evaluations that impact teacher pay or employment status and discontinue the use of standardized tests in evaluating public school teachers or administrators.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and more than forty individuals. Your Committee received comments on this measure from the Department of Education and one individual.

Your Committee finds that the federal Race to the Top program required states receiving funds under the program, including Hawaii, to implement high-stakes teacher evaluations in which pay and employment status were linked to the results of annual evaluations. Your Committee further finds that high-stakes evaluations and an emphasis on standardized testing forces teachers to teach to the test and tailor their teaching strategies to fit the criteria of the evaluation. Research indicates that these constraints do not benefit students, and may actually harm the ability of teachers to perform their duties. Your Committee additionally finds that the Every Student Succeeds Act (ESSA) prohibits the federal government from requiring specific evaluation systems as a condition on receiving grant monies, and gives states significant freedom with regard to standardized testing.

This measure requests the Department of Education to adopt the flexibility afforded by the ESSA to repeal and replace high-stakes evaluation protocols.

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. 155 and recommends that it be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

SCRep. 3215 Education on S.R. No. 117

The purpose and intent of this measure is to request the Department of Education to abolish the use of teacher evaluations that impact teacher pay or employment status and discontinue the use of standardized tests in evaluating public school teachers or administrators.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association, IMUAlliance, and more than forty individuals. Your Committee received comments on this measure from the Department of Education and one individual.

Your Committee finds that the federal Race to the Top program required states receiving funds under the program, including Hawaii, to implement high-stakes teacher evaluations in which pay and employment status were linked to the results of annual evaluations. Your Committee further finds that high-stakes evaluations and an emphasis on standardized testing forces teachers to teach to the test and tailor their teaching strategies to fit the criteria of the evaluation. Research indicates that these constraints do not benefit students, and may actually harm the ability of teachers to perform their duties. Your Committee additionally finds that the Every Student Succeeds Act (ESSA) prohibits the federal government from requiring specific evaluation systems as a condition on receiving grant monies, and gives states significant freedom with regard to standardized testing.

This measure requests the Department of Education to adopt the flexibility afforded by the ESSA to repeal and replace high-stakes evaluation protocols.

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. 117 and recommends that it be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

SCRep. 3216 Education on S.C.R. No. 115

The purpose and intent of this measure is to request the Board of Education and Department of Education to:

- (1) Expand the selection of world languages offered to students in Hawaii's public schools;
- (2) Consider future workforce needs when deciding which languages to offer; and
- (3) Examine the student body population of high schools as a basis for selecting additional world languages to be taught in public schools.

Your Committee received testimony in support of this measure from the Department of Education and one individual.

Your Committee finds that Hawaii's population is extremely linguistically and culturally diverse. Many students in the State's public schools speak a native language other than English at home. Students in Hawaii with roots abroad are an integral part of the future workforce of the State in a wide variety of industries, including tourism, the military, and technology. Your Committee further finds that these students would benefit from having their native languages taught in public 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. 115 and recommends that it be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

SCRep. 3217 Education on S.R. No. 83

The purpose and intent of this measure is to request the Board of Education and Department of Education to:

- (1) Expand the selection of world languages offered to students in Hawaii's public schools;
- (2) Consider future workforce needs when deciding which languages to offer; and
- (3) Examine the student body population of high schools as a basis for selecting additional world languages to be taught in public schools.

Your Committee received testimony in support of this measure from the Department of Education and one individual.

Your Committee finds that Hawaii's population is extremely linguistically and culturally diverse. Many students in the State's public schools speak a native language other than English at home. Students in Hawaii with roots abroad are an integral part of the future workforce of the State in a wide variety of industries, including tourism, the military, and technology. Your Committee further finds that these students would benefit from having their native languages taught in public 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. 83 and recommends that it be referred to your Committees on Ways and Means and Judiciary and Labor.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).

SCRep. 3218 Education on S.C.R. No. 146

The purpose and intent of this measure is to request that the Department of Education, a school of architecture, and Kula Kaiapuni 'O Ānuenuē enter a partnership to develop a proof of concept plan and design for a gymnasium at Ānuenuē school.

Your Committee received testimony in support of this measure from the Department of Education.

Your Committee finds that Ānuenuē school is a Hawaiian immersion school for students in kindergarten through twelfth grade. Students at Ānuenuē school are very active in a variety of athletic events and sports, but the school lacks a gymnasium. The physical constraints of the Ānuenuē school site limit the available space to expand and make design and construction of gymnasium facilities at the school a challenge. Your Committee further finds that a partnership with a school of architecture will allow feasible plans and designs for such a facility to be developed and simultaneously provide valuable learning opportunities for architectural students.

Your Committee has amended this measure by adding a Hawaiian language translation of its contents, including its title.

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. 146, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 146, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3219 Education on S.R. No. 108

The purpose and intent of this measure is to request that the Department of Education, a school of architecture, and Kula Kaiapuni 'O Ānuenuē enter a partnership to develop a proof of concept plan and design for a gymnasium at Ānuenuē school.

Your Committee received testimony in support of this measure from the Department of Education.

Your Committee finds that Ānuenuē school is a Hawaiian immersion school for students in kindergarten through twelfth grade. Students at Ānuenuē school are very active in a variety of athletic events and sports, but the school lacks a gymnasium. The physical constraints of the Ānuenuē school site limit the available space to expand and make design and construction of gymnasium facilities at the school a challenge. Your Committee further finds that a partnership with a school of architecture will allow feasible plans and designs for such a facility to be developed and simultaneously provide valuable learning opportunities for architectural students.

Your Committee has amended this measure by adding a Hawaiian language translation of its contents, including its title.

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. 108, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 108, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Harimoto, Slom).

SCRep. 3220 Government Operations on S.C.R. No. 120

The purpose and intent of this measure is to request the Department of Public Safety to:

- (1) Consult with the State Capitol Management Committee and develop and implement a master security plan that will increase safety and security in the State Capitol building through the use of metal detectors, x-rays scans of baggage, and other prudent measures; and
- (2) Provide a report on the status of the master security plan, including any proposed legislation, to the State Capitol Management Committee and the Legislature no later than twenty days prior to the convening of the Regular Session of 2017.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deleted its contents and inserts language to request:

- (1) The Legislative Reference Bureau to work with the Office of the Governor and Boards and Commissions Office to create and maintain a comprehensive list of all state boards and commissions;
- (2) The Office of the Governor and Boards and Commissions Office to provide all information necessary for the Legislative Reference Bureau to create and maintain a comprehensive list of state boards and commissions and to make the comprehensive list publically available on the Internet;
- (3) Each state department to provide information regarding any board or commission administratively attached to the respective department that is necessary for the Legislative Reference Bureau to create and maintain the comprehensive list; and
- (4) The Legislative Reference Bureau to report to the Legislature when a board or commission appointment is nearing the end of a term; board or commission vacancies; and statutory changes affecting a board's or commission's composition, quorum, or term limits.

Your Committee received testimony in support of the proposed S.D. 1 from the Office of the Governor. Your Committee received comments on the proposed S.D. 1 from the Legislative Reference Bureau.

Your Committee finds that the Governor nominates and appoints individuals to more than one hundred seventy boards and commissions. It is imperative that members of boards and commissions are appropriately and timely nominated and appointed in order for the boards and commissions to meet and conduct business. However, due to the turnover in the Executive Branch administrations, important board and commission information is often lost, inaccurate, or unable to be verified due to the lack of a central database, and it is imperative that a separate agency create and maintain a comprehensive list of all state boards and commissions. Implementation of

this measure will better assure that state board and commission information is accurate and further government accountability, transparency, and efficiency.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending it by inserting language to note that due to the turnover in the Executive Branch administrations, important board and commission information is often lost, inaccurate, or unable to be verified due to the lack of a central database, and it is imperative that a separate agency create and maintain a comprehensive list of all state boards and commissions.

Your Committee notes that while the Office of the Governor and Boards and Commissions Office are primarily responsible for managing the state boards and commissions, the inclusion and assistance of the Legislative Reference Bureau, a separate agency, will be valuable in the creation and maintenance of a comprehensive list of all state boards and commissions.

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. 120, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 120, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Shimabukuro, Tokuda).

SCRep. 3221 (Joint/Majority) Judiciary and Labor and Commerce, Consumer Protection, and Health on S.C.R. No. 86

The purpose and intent of this measure is to request:

- (1) The convening of a paid family leave task force to examine the benefits and costs of a potential paid family leave program in Hawaii; and
- (2) The task force 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 2017.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Chamber of Commerce Hawaii, YWCA O'ahu, Hawai'i State Democratic Women's Caucus, Planned Parenthood Votes Northwest and Hawaii, ILWU Local 142, Hawaii State Commission on the Status of Women, Healthy Mothers Healthy Babies Coalition of Hawaii, Children's Action Network, Hawai'i Coalition for Immigrant Rights, and four individuals.

Your Committees find that the Federal Family and Medical Leave Act of 1993 allows twelve weeks of unpaid leave to certain employees, and the Hawaii Family Leave Law provides an additional four weeks of unpaid family leave to certain employees. However, the majority of Hawaii's workforce cannot afford to take unpaid leave when needing to provide care to a newborn, bond with a new child, or care for a family member with a serious health condition. Previous joint task forces on family caregiving convened by the Legislature have all determined that family caregivers need adequate wage replacement and support when providing care. Implementation of this measure will further examine paid family and medical leave and may help decrease the wage gap between men and women.

Your Committees have amended this measure by:

- (1) Requesting that the task force examine private sector family leave programs, in addition to state paid family leave medical programs;
- (2) Requesting the co-chairs of the task force to invite members representing insurers, including at least one offering temporary disability coverage, to join the task force; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note the testimony of the Department of Labor and Industrial Relations expressing concerns that an appropriation may be necessary for the task force to work with an economic analysis firm or program to develop an actuarial amount for the benefits offered by a state paid family and medical leave program. Your Committees request that your Committee on Ways and Means further examine the issue should it choose to hear this measure.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 86, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 86, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Slom).

SCRep. 3222 (Joint/Majority) Judiciary and Labor and Commerce, Consumer Protection, and Health on S.R. No. 57

The purpose and intent of this measure is to request:

- (1) The convening of a paid family leave task force to examine the benefits and costs of a potential paid family leave program in Hawaii; and
- (2) The task force 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 2017.

Your Committees received testimony in support of this measure from the Department of Labor and Industrial Relations, Chamber of Commerce Hawaii, YWCA O'ahu, Hawai'i State Democratic Women's Caucus, Planned Parenthood Votes Northwest and Hawaii,

ILWU Local 142, Hawaii State Commission on the Status of Women, Healthy Mothers Healthy Babies Coalition of Hawaii, Children's Action Network, Hawai'i Coalition for Immigrant Rights, and four individuals.

Your Committees find that the Federal Family and Medical Leave Act of 1993 allows twelve weeks of unpaid leave to certain employees, and the Hawaii Family Leave Law provides an additional four weeks of unpaid family leave to certain employees. However, the majority of Hawaii's workforce cannot afford to take unpaid leave when needing to provide care to a newborn, bond with a new child, or care for a family member with a serious health condition. Previous joint task forces on family caregiving convened by the Legislature have all determined that family caregivers need adequate wage replacement and support when providing care. Implementation of this measure will further examine paid family and medical leave and may help decrease the wage gap between men and women.

Your Committees have amended this measure by:

- (1) Requesting that the task force examine private sector family leave programs, in addition to state paid family leave medical programs;
- (2) Requesting the co-chairs of the task force to invite members representing insurers, including at least one offering temporary disability coverage, to join the task force; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note the testimony of the Department of Labor and Industrial Relations expressing concerns that an appropriation may be necessary for the task force to work with an economic analysis firm or program to develop an actuarial amount for the benefits offered by a state paid family and medical leave program. Your Committees request that your Committee on Ways and Means further examine the issue should it choose to hear this measure.

As affirmed by the records of votes of the members of your Committees on Judiciary and Labor and Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 57, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 57, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Espero, Nishihara, Slom).

SCRep. 3223 (Joint) Economic Development, Environment, and Technology and Higher Education and the Arts on S.C.R. No. 145

The purpose and intent of this measure is to urge the University of Hawaii to partner with the Hawaii Strategic Development Corporation and High Technology Development Corporation to commercialize intellectual property created by basic and applied research conducted at the University of Hawaii.

Your Committees received testimony in support of this measure from the High Technology Development Corporation and Hawaii Strategic Development Corporation. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the University of Hawaii System.

Your Committees find that one of the core functions of the University of Hawaii is to conduct basic and applied research; however, commercialization of intellectual property by the University diverts it from its educational focus on preparing and educating students. Your Committees further find that because the Hawaii Strategic Development Corporation and High Technology Development Corporation were established to promote economic development and diversification and have programs and expertise relating to the commercialization of intellectual property, a partnership between these Corporations and the University to commercialize intellectual property created from the University's basic and applied research is a logical step to encourage promotion of innovation in the State and enables the University to focus on developing a skilled workforce.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology 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. 145 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Espero, Ruderman, Wakai).

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Kahele, Kidani).

SCRep. 3224 (Joint) Economic Development, Environment, and Technology and Higher Education and the Arts on S.R. No. 107

The purpose and intent of this measure is to urge the University of Hawaii to partner with the Hawaii Strategic Development Corporation and High Technology Development Corporation to commercialize intellectual property created by basic and applied research conducted at the University of Hawaii.

Your Committees received testimony in support of this measure from the High Technology Development Corporation and Hawaii Strategic Development Corporation. Your Committees received testimony in opposition to this measure from one individual. Your Committees received comments on this measure from the University of Hawaii System.

Your Committees find that one of the core functions of the University of Hawaii is to conduct basic and applied research; however, commercialization of intellectual property by the University diverts it from its educational focus on preparing and educating students. Your Committees further find that because the Hawaii Strategic Development Corporation and High Technology Development Corporation were established to promote economic development and diversification and have programs and expertise relating to the commercialization of intellectual property, a partnership between these Corporations and the University to commercialize intellectual

property created from the University's basic and applied research is a logical step to encourage promotion of innovation in the State and enables the University to focus on developing a skilled workforce.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Higher Education and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 107 and recommend that it be referred to your Committee on Ways and Means.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Espero, Ruderman, Wakai).

Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Kahele, Kidani).

SCRep. 3225 (Majority) Economic Development, Environment, and Technology on S.C.R. No. 164

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism, in consultation with the Department of Budget and Finance and Department of Taxation, to conduct a study on the economic impact of granting an exemption for the sale of goods and services to the federal government from the state general excise tax.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; and Department of Taxation.

Your Committee finds that the federal government purchases goods and services from Hawaii businesses and out-of-state businesses for use and consumption within the State. The federal government does not enforce the State's general excise tax on goods and services purchased from out-of-state small businesses and used and consumed within the State, while Hawaii businesses are assessed a state general excise tax rate of four percent on the sale of goods and services to the federal government, and another half percent surcharge for sales on Oahu, placing Hawaii businesses at a disadvantage. Your Committee finds that it is necessary for Hawaii businesses to be on the same footing as out-of-state businesses when bidding on federal government contracts and therefore supports a study to determine the potential impacts of exempting the sale of goods and services to the federal government from the State's general excise tax.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 164 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Ruderman). Excused, 4 (Baker, Ihara, Keith-Agaran, Thielen).

SCRep. 3226 (Majority) Economic Development, Environment, and Technology on S.R. No. 125

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism, in consultation with the Department of Budget and Finance and Department of Taxation, to conduct a study on the economic impact of granting an exemption for the sale of goods and services to the federal government from the state general excise tax.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC. Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism; and Department of Taxation.

Your Committee finds that the federal government purchases goods and services from Hawaii businesses and out-of-state businesses for use and consumption within the State. The federal government does not enforce the State's general excise tax on goods and services purchased from out-of-state small businesses and used and consumed within the State, while Hawaii businesses are assessed a state general excise tax rate of four percent on the sale of goods and services to the federal government, and another half percent surcharge for sales on Oahu, placing Hawaii businesses at a disadvantage. Your Committee finds that it is necessary for Hawaii businesses to be on the same footing as out-of-state businesses when bidding on federal government contracts and therefore supports a study to determine the potential impacts of exempting the sale of goods and services to the federal government from the State's general excise tax.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, and Technology that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 125 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 1 (Ruderman). Excused, 4 (Baker, Ihara, Keith-Agaran, Thielen).

SCRep. 3227 Hawaiian Affairs on S.C.R. No. 97

The purpose and intent of this measure is to urge the State to establish the Puuhonua Program in the Department of Public Safety for the continued rehabilitation of post-incarcerated persons, parolees, and probationers.

Your Committee received testimony in support of this measure from the Kauai Police Department, The CHOW Project, Blueprint for Change, and five individuals. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that in ancient Hawaii, puuhonua were designated as safe and inviolable sites where women and children, old or ailing men in times of war, vanquished warriors, and fleeing criminals could take refuge. Your Committee further finds that in the modern world, men and women who have been incarcerated and released may benefit from the Puuhonua Program proposed by this measure, as the program would apply the puuhonua concept to support post-incarcerated persons, parolees, and probationers in their transition to society.

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. 97 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3228 Hawaiian Affairs on S.R. No. 65

The purpose and intent of this measure is to urge the State to establish the Puuhonua Program in the Department of Public Safety for the continued rehabilitation of post-incarcerated persons, parolees, and probationers.

Your Committee received testimony in support of this measure from the Kauai Police Department, The CHOW Project, Blueprint for Change, and five individuals. Your Committee received comments on this measure from the Department of Public Safety.

Your Committee finds that in ancient Hawaii, puuhonua were designated as safe and inviolable sites where women and children, old or ailing men in times of war, vanquished warriors, and fleeing criminals could take refuge. Your Committee further finds that in the modern world, men and women who have been incarcerated and released may benefit from the Puuhonua Program proposed by this measure, as the program would apply the puuhonua concept to support post-incarcerated persons, parolees, and probationers in their transition to society.

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. 65 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3229 Water, Land, and Agriculture on S.C.R. No. 142

The purpose and intent of this measure is to request the Department of Land and Natural Resources to authorize the establishment of a monument in Hilo on state land in honor of the late Senator Gilbert Kahele.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, and one individual.

Your Committee finds that the owners of the Naniloa Hotel and Tower Development, Inc.; have dedicated land on the point of the Naniloa Hotel dock area to the family of the late Senator Kahele for the purpose of erecting a bronze plaque to establish Kahele Point or another name selected by the Kahele family. However, the land on which the monument is proposed to be established is owned by the Department of Land and Natural Resources; therefore, the entity that wants to establish the monument needs to apply for a term easement, receive consent from the current lessee, comply with permitting requirements, and meet all requirements and obtain necessary approval under the law regarding State submerged lands, if applicable. Your Committee further finds that the land area proposed looks toward downtown Hilo and north along the coastline commanding an expansive view that symbolizes the dedication that the late Senator Kahele gave to the State, island of Hawaii, and city of Hilo.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 142 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3230 Water, Land, and Agriculture on S.R. No. 104

The purpose and intent of this measure is to request the Department of Land and Natural Resources to authorize the establishment of a monument in Hilo on state land in honor of the late Senator Gilbert Kahele.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, and one individual.

Your Committee finds that the owners of the Naniloa Hotel and Tower Development, Inc.; have dedicated land on the point of the Naniloa Hotel dock area to the family of the late Senator Kahele for the purpose of erecting a bronze plaque to establish Kahele Point or another name selected by the Kahele family. However, the land on which the monument is proposed to be established is owned by the Department of Land and Natural Resources; therefore, the entity that wants to establish the monument needs to apply for a term easement, receive consent from the current lessee, comply with permitting requirements, and meet all requirements and obtain necessary approval under the law regarding State submerged lands, if applicable. Your Committee further finds that the land area proposed looks toward downtown Hilo and north along the coastline commanding an expansive view that symbolizes the dedication that the late Senator Kahele gave to the State, island of Hawaii, and city of Hilo.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 104 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3231 (Joint) Water, Land, and Agriculture and Hawaiian Affairs on S.C.R. No. 162

The purpose and intent of this measure is to establish a public land trust revenues negotiating committee to discuss the monies that the Office of Hawaiian Affairs is to receive as its pro rata portion of the public land trust.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, and four individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that Act 178, Session Laws of Hawaii 2006, was not intended to be the final resolution to the issue of the pro rata portion of the public land trust that the Office of Hawaiian Affairs is to receive. Your Committees further find that this measure will advance the process of resolving this issue between the Office of Hawaiian Affairs and the State.

Your Committees have amended this measure by correcting its description of Act 15, Session Laws of Hawaii 2012, as a settlement of the claims of the Office of Hawaiian Affairs instead of a settlement of "monies owed" to the Office.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 162, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 162, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3232 (Joint) Water, Land, and Agriculture and Hawaiian Affairs on S.R. No. 123

The purpose and intent of this measure is to establish a public land trust revenues negotiating committee to discuss the monies that the Office of Hawaiian Affairs is to receive as its pro rata portion of the public land trust.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, and four individuals. Your Committees received comments on this measure from the Department of Budget and Finance.

Your Committees find that Act 178, Session Laws of Hawaii 2006, was not intended to be the final resolution to the issue of the pro rata portion of the public land trust that the Office of Hawaiian Affairs is to receive. Your Committees further find that this measure will advance the process of resolving this issue between the Office of Hawaiian Affairs and the State.

Your Committees have amended this measure by correcting its description of Act 15, Session Laws of Hawaii 2012, as a settlement of the claims of the Office of Hawaiian Affairs instead of a settlement of "monies owed" to the Office.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Hawaiian Affairs that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 123, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 123, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3233 Water, Land, and Agriculture on S.R. No. 114

The purpose and intent of this measure is to recognize the Whitmore Project's mission to revitalize Hawaii's local agricultural industry and request the Agribusiness Development Corporation to continue its efforts to acquire land and provide local farmers with long-term leases.

Your Committee received testimony in support of this measure from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; and Larry Jefts Farms, LLC.

Your Committee finds that in 2012, the State purchased over seventeen hundred acres of agricultural land from the Galbraith Estate through coordinated efforts of the State, City and County of Honolulu, Office of Hawaiian Affairs, United States Army, and D.R. Horton. The Agribusiness Development Corporation received twelve hundred acres of the agricultural land and dedicated it to the Whitmore Project, which provides long-term lease options on state land; enhanced use leases; decreased cost and time of transportation, due to clustered services; increased scale and diversity of products; co-working opportunities to leverage the high cost of equipment and supplies; conversion of idle and arable land into active land to achieve scale and diversity of products; state and county tax incentives; and partnership opportunities. Your Committee further finds that it is critical that the State offer local farmers long-term leases and continue to support Hawaii's agricultural community.

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, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 114, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 114, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3234 (Joint) Hawaiian Affairs and Commerce, Consumer Protection, and Health on S.R. No. 59

The purpose and intent of this measure is to request that the United States Congress amend the United States Code to ensure that the programs and services of the Native Hawaiian Health Care Improvement Act receive permanent funding.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Ke Ola Mamo, Hui Mālama Ola Nā 'Ōiwi, Papa Ola Lokahi, Ho'ōla Lāhui Hawai'i, and three individuals. Your Committees received comments on this measure from Na Pu'uwai.

Your Committees find that this measure urges the United States Congress to establish permanent funding for the Native Hawaiian Health Care Improvement Act to address the unmet health needs of the Native Hawaiian people, whose health as a group continues to be far below that of the general population of the United States.

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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 59, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 59, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Hawaiian Affairs: Ayes, 4. Noes, none. Excused, 1 (English).

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3235 (Joint) Economic Development, Environment, and Technology and Transportation and Energy on S.C.R. No. 144

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism and the Hawaii State Energy Office to conduct a study to establish incremental goals to achieve one hundred percent renewable energy fueled ground transportation by 2045.

Your Committees received testimony in support of this measure from Blue Planet Foundation and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that Hawaii's dependency on imported oil and the increasing number of vehicles present in the State adversely impact the environment and economy. Fossil fuels imported internationally cost Hawaii billions of dollars each year and contribute to the State's carbon footprint. One hundred percent renewable fueled ground transportation by 2045 would put dollars back into the state economy while reducing greenhouse gas emissions and helping Hawaii to reach its sustainability goals.

Your Committees have amended this measure by:

- (1) Requesting the Department of Business, Economic Development, and Tourism and Hawaii State Energy Office to consult with the Department of Transportation while conducting the study;
- (2) Requesting that the study focus on researching the feasibility of eliminating imported fuel for ground transportation by 2045;
- (3) Requesting that if the Department of Business, Economic Development, and Tourism and Hawaii State Energy Office find it is not feasible to eliminate imported fuels for ground transportation by 2045 that the Department propose an alternative target year;
- (4) Extending the submittal date for the report to the Legislature from Department of Business, Economic Development, and Tourism to no later than twenty days prior to the convening of the Regular Session of 2018;
- (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 Economic Development, Environment, and Technology and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 144, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 144, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Thielen).

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3236 (Joint) Economic Development, Environment, and Technology and Transportation and Energy on S.R. No. 106

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism and the Hawaii State Energy Office to conduct a study to establish incremental goals to achieve one hundred percent renewable energy fueled ground transportation by 2045.

Your Committees received testimony in support of this measure from Blue Planet Foundation and one individual. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism.

Your Committees find that Hawaii's dependency on imported oil and the increasing number of vehicles present in the State adversely impact the environment and economy. Fossil fuels imported internationally cost Hawaii billions of dollars each year and contribute to the State's carbon footprint. One hundred percent renewable fueled ground transportation by 2045 would put dollars back into the state economy while reducing greenhouse gas emissions and helping Hawaii to reach its sustainability goals.

Your Committees have amended this measure by:

- (1) Requesting the Department of Business, Economic Development, and Tourism and Hawaii State Energy Office to consult with the Department of Transportation while conducting the study;
- (2) Requesting that the study focus on researching the feasibility of eliminating imported fuel for ground transportation by 2045;

- (3) Requesting that if the Department of Business, Economic Development, and Tourism and Hawaii State Energy Office find it is not feasible to eliminate imported fuels for ground transportation by 2045 that the Department propose an alternative target year;
- (4) Extending the submittal date for the report to the Legislature from Department of Business, Economic Development, and Tourism to no later than twenty days prior to the convening of the Regular Session of 2018;
- (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 Economic Development, Environment, and Technology and Transportation and Energy that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 106, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 106, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Thielen).

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3237 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 94

The purpose and intent of this measure is to request the Department of Transportation to work with the Department of Transportation Services for the City and County of Honolulu to develop a traffic mitigation plan to address the current Aiea-Red Hill-Moanalua-Salt Lake congestion as well as additional future congestion after the completion of the Moanalua Hillside Development, and to enable timely funding for the implementation of that plan.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii and Building Industry Association-Hawaii. Your Committees received testimony in opposition to this measure from the Department of Transportation.

Your Committees find that the 2015 TomTom Traffic Index ranked Honolulu as the third most congested city in the United States with a thirty-two percent congestion level, behind San Francisco at thirty-four percent and Los Angeles at thirty-nine percent. Significant traffic attractors and generators in the Aiea-Red Hill-Moanalua-Salt Lake area include: the Moanalua H-1 and H-3 Freeways' exits and entrances, Kaiser Permanente Moanalua Medical Center, Aliamanu Military Reservation, Honolulu International Airport, Federal Detention Center, United States Postal Service Honolulu District Office, Tripler Army Medical Center, Fort Shafter, Camp Smith, Aloha Stadium, Joint Base Pearl Harbor-Hickam, Ford Island, Pearl Harbor, Pacific Aviation Museum, the U.S.S. Arizona and Battleship Missouri Memorials, Pearlridge Center, and several large residential developments.

Your Committees further find that the traffic volumes for the Moanalua Freeway west of Kahuapaani Street have ranged between 48,625 and 37,775 vehicles on average each day; and volumes for the Moanalua Freeway at Moanalua Stream Bridge have ranged between 115,345 and 96,155 vehicles on average each day over the past twenty-two years. In addition, the proposed five hundred new studio and one-bedroom units in the Moanalua Hillside Development would add an estimated five hundred to one thousand additional cars which would further increase the traffic congestion in that area.

Your Committees note that testimony indicated that both the Department of Transportation and Oahu Metropolitan Planning Organization may have jurisdiction over the areas covered by this measure. As such, your Committees have amended this measure by also requesting the Oahu Metropolitan Planning Organization, as applicable, to develop a traffic mitigation plan.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 94, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 94, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 3238 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 61

The purpose and intent of this measure is to request the Department of Transportation to work with the Department of Transportation Services for the City and County of Honolulu to develop a traffic mitigation plan to address the current Aiea-Red Hill-Moanalua-Salt Lake congestion as well as additional future congestion after the completion of the Moanalua Hillside Development, and to enable timely funding for the implementation of that plan.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii and Building Industry Association-Hawaii. Your Committees received testimony in opposition to this measure from the Department of Transportation.

Your Committees find that the 2015 TomTom Traffic Index ranked Honolulu as the third most congested city in the United States with a thirty-two percent congestion level, behind San Francisco at thirty-four percent and Los Angeles at thirty-nine percent. Significant traffic attractors and generators in the Aiea-Red Hill-Moanalua-Salt Lake area include: the Moanalua H-1 and H-3 Freeways' exits and entrances, Kaiser Permanente Moanalua Medical Center, Aliamanu Military Reservation, Honolulu International Airport, Federal Detention Center, United States Postal Service Honolulu District Office, Tripler Army Medical Center, Fort Shafter, Camp Smith, Aloha Stadium, Joint Base Pearl Harbor-Hickam, Ford Island, Pearl Harbor, Pacific Aviation Museum, the U.S.S. Arizona and Battleship Missouri Memorials, Pearlridge Center, and several large residential developments.

Your Committees further find that the traffic volumes for the Moanalua Freeway west of Kahuapaani Street have ranged between 48,625 and 37,775 vehicles on average each day; and volumes for the Moanalua Freeway at Moanalua Stream Bridge have ranged between 115,345 and 96,155 vehicles on average each day over the past twenty-two years. In addition, the proposed five hundred new studio and one-bedroom units in the Moanalua Hillside Development would add an estimated five hundred to one thousand additional cars which would further increase the traffic congestion in that area.

Your Committees note that testimony indicated that both the Department of Transportation and Oahu Metropolitan Planning Organization may have jurisdiction over the areas covered by this measure. As such, your Committees have amended this measure by also requesting the Oahu Metropolitan Planning Organization, as applicable, to develop a traffic mitigation plan.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 61, as amended herein, and recommend that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 61, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 3239 Transportation and Energy on S.C.R. No. 128

The purpose and intent of this measure is to request the Department of Transportation to begin construction of the Leeward Bikeway before the end of 2016.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Bicycling League, Cycle On Hawaii, and four individuals.

Your Committee finds that the Leeward Bikeway is a proposed thirteen-mile paved multi-use path, eight to twelve feet wide with two-foot shoulders, to be constructed next to the former Oahu Railway & Land Company railroad tracks on the leeward side of Oahu. Community advocates have long pushed for the completion of a multi-use path linking the Pearl Harbor Historic Trail to Nanakuli to give leeward Oahu residents another transportation option to work and school.

Your Committee further finds that the Department of Transportation has \$9,000,000 in funding programmed in 2016 for construction of Phase I of the project. The Federal Highway Administration has primary responsibility for the Leeward Bikeway's compliance with the National Historic Preservation Act, section 106 (Section 106), and has delegated the responsibility to coordinate with Section 106 consulting parties to the Department of Transportation. The Department of Transportation and Federal Highway Administration are willing to work together to convene all Section 106 parties involved to expedite the conclusion of the Section 106 process so construction can commence.

In addition to starting construction on the Leeward Bikeway, your Committee also requests that the Department of Transportation start construction on long-delayed and critically-needed Central Oahu Bikeway.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 128 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3240 Transportation and Energy on S.R. No. 95

The purpose and intent of this measure is to request the Department of Transportation to begin construction of the Leeward Bikeway before the end of 2016.

Your Committee received testimony in support of this measure from the Department of Transportation, Hawaii Bicycling League, Cycle On Hawaii, and four individuals.

Your Committee finds that the Leeward Bikeway is a proposed thirteen-mile paved multi-use path, eight to twelve feet wide with two-foot shoulders, to be constructed next to the former Oahu Railway & Land Company railroad tracks on the leeward side of Oahu. Community advocates have long pushed for the completion of a multi-use path linking the Pearl Harbor Historic Trail to Nanakuli to give leeward Oahu residents another transportation option to work and school.

Your Committee further finds that the Department of Transportation has \$9,000,000 in funding programmed in 2016 for construction of Phase I of the project. The Federal Highway Administration has primary responsibility for the Leeward Bikeway's compliance with the National Historic Preservation Act, section 106 (Section 106), and has delegated the responsibility to coordinate with Section 106 consulting parties to the Department of Transportation. The Department of Transportation and Federal Highway Administration are willing to work together to convene all Section 106 parties involved to expedite the conclusion of the Section 106 process so construction can commence.

In addition to starting construction on the Leeward Bikeway, your Committee also requests that the Department of Transportation start construction on long-delayed and critically-needed Central Oahu Bikeway.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3241 Transportation and Energy on S.C.R. No. 76

The purpose and intent of this measure is to request the Department of Transportation to recognize the significant accomplishments and contributions of the late Senator Daniel K. Inouye by designating the Honolulu International Airport as the Daniel K. Inouye International Airport.

Your Committee received testimony in support of this measure from the Department of Transportation, Daniel K. Inouye Institute, and two individuals.

Your Committee finds that the late Senator Daniel K. Inouye, decorated veteran, distinguished United States Congressman and Senator, and devoted son of the islands, recognized the importance of a fully functional state airport system that connected the individual Hawaiian Islands, connected Hawaii to the continental United States, and connected Hawaii globally to the rest of the world.

Your Committee further finds that Senator Daniel K. Inouye was instrumental in marshalling extensive federal funds of about \$30,000,000 annually to maintain and develop necessary and essential airport infrastructure; acquiring additional federal funding to build new air traffic control facilities, improve runways and taxiways, and install instrument landing systems for increased visibility and safety; and upgrading Transportation Security Administration security checkpoint facilities and equipment.

Your Committee finds that the State should honor and preserve the legacy of Senator Daniel K. Inouye's instrumental involvement in developing Honolulu International Airport as the hub of inter-island, transpacific, and global air travel.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 76 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3242 Transportation and Energy on S.R. No. 47

The purpose and intent of this measure is to request the Department of Transportation to recognize the significant accomplishments and contributions of the late Senator Daniel K. Inouye by designating the Honolulu International Airport as the Daniel K. Inouye International Airport.

Your Committee received testimony in support of this measure from the Department of Transportation, Daniel K. Inouye Institute, and two individuals.

Your Committee finds that the late Senator Daniel K. Inouye, decorated veteran, distinguished United States Congressman and Senator, and devoted son of the islands, recognized the importance of a fully functional state airport system that connected the individual Hawaiian Islands, connected Hawaii to the continental United States, and connected Hawaii globally to the rest of the world.

Your Committee further finds that Senator Daniel K. Inouye was instrumental in marshalling extensive federal funds of about \$30,000,000 annually to maintain and develop necessary and essential airport infrastructure; acquiring additional federal funding to build new air traffic control facilities, improve runways and taxiways, and install instrument landing systems for increased visibility and safety; and upgrading Transportation Security Administration security checkpoint facilities and equipment.

Your Committee finds that the State should honor and preserve the legacy of Senator Daniel K. Inouye's instrumental involvement in developing Honolulu International Airport as the hub of inter-island, transpacific, and global air travel.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 47 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3243 Transportation and Energy on S.C.R. No. 54

The purpose and intent of this measure is to request the Department of Transportation to conduct a study on the feasibility and advisability of adopting the Transportation Security Administration's Screening Partnership Program.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that the Screening Partnership Program of the Transportation Security Administration (TSA) contracts security screening services at commercial airports to qualified private companies, which run screening operations under federal oversight and in compliance with all TSA security screening procedures.

The overriding goal of the Screening Partnership Program is to ensure that participating airports provide services that meet TSA security and performance standards, and maximize cost savings for taxpayers. Using a private contractor allows airports to flex the number of security screeners scheduled to better match passenger volume, which can fluctuate seasonally. As of April 2015, twenty-one airports throughout the United States have joined the Screening Partnership Program.

Your Committee requests that the Committee on Ways and Means, should it consider this measure for adoption, to amend this measure to request the Department of Transportation to report to the Legislature its findings and recommendations no later than twenty days prior to the convening of the Regular Session of 2018.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 54 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3244 Transportation and Energy on S.R. No. 28

The purpose and intent of this measure is to request the Department of Transportation to conduct a study on the feasibility and advisability of adopting the Transportation Security Administration's Screening Partnership Program.

Your Committee received testimony in support of this measure from the Department of Transportation.

Your Committee finds that the Screening Partnership Program of the Transportation Security Administration (TSA) contracts security screening services at commercial airports to qualified private companies, which run screening operations under federal oversight and in compliance with all TSA security screening procedures.

The overriding goal of the Screening Partnership Program is to ensure that participating airports provide services that meet TSA security and performance standards, and maximize cost savings for taxpayers. Using a private contractor allows airports to flex the number of security screeners scheduled to better match passenger volume, which can fluctuate seasonally. As of April 2015, twenty-one airports throughout the United States have joined the Screening Partnership Program.

Your Committee requests that the Committee on Ways and Means, should it consider this measure for adoption, to amend this measure to request the Department of Transportation to report to the Legislature its findings and recommendations no later than twenty days prior to the convening of the Regular Session of 2018.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy 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 your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3245 (Joint) Transportation and Energy and Economic Development, Environment, and Technology on S.C.R. No. 2

The purpose and intent of this measure is to urge the various state and county departments who manage and own land around each of the planned rail transit stations to consider and include in development discussions, affordable housing, child and family services, elderly services, and other beneficial opportunities for the people of Hawaii.

Your Committees received testimony in support of this measure from the Department of Human Services; Hawaii Housing Finance and Development Corporation; Office of Planning; Hawaii Public Housing Authority; Ho'omana Pono, LLC; and one individual.

Your Committees find that transit-oriented development presents an opportunity for transit-centered communities located around planned rail stations. These transit-centered communities have the potential to provide much needed opportunities for Hawaii residents in areas of affordable housing and other community services. Transit development coordination has primarily been between the Honolulu Authority for Rapid Transportation and the City and County of Honolulu; however, as a major landowner at a majority of the planned rail transit stations, the State is also a primary entity in the transit development discussions.

Your Committees believe that well-planned, well-designed, and equitable transit-oriented development may accomplish interrelated goals by maintaining and providing housing for low- or moderate-income families, preventing displacement of existing residents through gentrification, ensuring access to transportation for low- to moderate- income residents, and co-locating essential services for children and families. Transit-oriented development communities are intentionally community-based in design. Well-planned communities address the social determinants of health - how we live, work, play, and learn.

Your Committees have amended this measure by:

- (1) Clarifying that it pertains to entities that either manage or own land or provide services around planned rail stations, and amending the title to reflect this clarification;
- (2) Noting that the City and County of Honolulu provides elderly services and senior programs; 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 Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 2, as amended herein, and recommend that it be referred to your Committees on Water, Land, and Agriculture and Ways and Means, in the form attached hereto as S.C.R. No. 2, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).
Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Baker, Ihara, Keith-Agaran, Thielen).

SCRep. 3246 Higher Education and the Arts on S.C.R. No. 26

The purpose and intent of this measure is to request the University of Hawaii to develop a plan that outlines coordination between the University's campuses to increase availability of online courses and degree programs.

Your Committee received testimony in support of this measure from NuWayve Unlimited and two individuals. Your Committee received comments on this measure from the University of Hawai'i System.

Your Committee finds that online college courses and programs offered by the University of Hawaii can provide quality education to neighbor island students, and students who are otherwise restricted from attending classes in a more traditional setting. Your Committee further finds that this measure can promote the University's use of online courses and degree programs.

Your Committee has amended this measure by:

- (1) Clarifying the number of different online degree programs the University of Hawaii currently offers;
- (2) Deleting references to the number of online degree programs offered by other universities;
- (3) Clarifying that the University of Hawaii is requested to develop a plan to promote cooperation between its campuses to increase online courses and degree programs and amending its title to reflect this clarification; and
- (4) Requesting the University of Hawaii to examine the current status of its online programs and any resistance that faculty may have against online courses and degree programs, and to report its findings and plan.

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. 26, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 26, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3247 Higher Education and the Arts on S.R. No. 9

The purpose and intent of this measure is to request the University of Hawaii to develop a plan that outlines coordination between the University's campuses to increase availability of online courses and degree programs.

Your Committee received testimony in support of this measure from NuWayve Unlimited and two individuals. Your Committee received comments on this measure from the University of Hawai'i System.

Your Committee finds that online college courses and programs offered by the University of Hawaii can provide quality education to neighbor island students, and students who are otherwise restricted from attending classes in a more traditional setting. Your Committee further finds that this measure can promote the University's use of online courses and degree programs.

Your Committee has amended this measure by:

- (1) Clarifying the number of different online degree programs the University of Hawaii currently offers;
- (2) Deleting references to the number of online degree programs offered by other universities;
- (3) Clarifying that the University of Hawaii is requested to develop a plan to promote cooperation between its campuses to increase online courses and degree programs and amending its title to reflect this clarification; and
- (4) Requesting the University of Hawaii to examine the current status of its online programs and any resistance that faculty may have against online courses and degree programs, and to report its findings and plan.

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. 9, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.R. No. 9, S.D. 1.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3248 Higher Education and the Arts on S.C.R. No. 119

The purpose and intent of this measure is to urge the University of Hawaii at Manoa to fund and fill the vacant African American Studies faculty tenure line position at the College of Social Sciences of the University of Hawaii at Manoa.

Your Committee received testimony in support of this measure from the Hawaii Civil Rights Commission, NuWayve Unlimited, and two individuals.

Your Committee finds that there is concern that the African American Studies faculty tenure line position at the University of Hawaii at Manoa has remained vacant since 2013. Filling this position will promote diversity at the University to the benefit of its students and faculty.

Your Committee further finds that the University is taking steps to fill the vacant African American Studies faculty tenure line position, which may be accomplished prior to the end of this Regular Session. Your Committee has requested that the University report its progress on filling the vacant position to your Committee on Ways and Means should it decide to hear this measure. Your Committee therefore recommends that this measure move forward for further consideration.

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. 119 and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3249 Economic Development, Environment, and Technology on Gov. Msg. No. 637

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR, OFFICE OF ENVIRONMENTAL QUALITY CONTROL

GM. No. 637 SCOTT GLENN, for a term to expire 06-30-2019

Your Committee received testimony in support of the nomination of Scott Glenn from the Governor, Department of Health, Department of Transportation, State Environmental Council, Conservation Council for Hawai'i, and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Glenn's experience as an Environmental Planner, commitment to public service, and proven leadership qualify him for appointment as the Director of the Office of Environmental Quality Control. Mr. Glenn has experience at Cardno, a professional infrastructure and environmental services company, as a project manager, business developer, and technical expert and has led a team of planners, environmental scientists, geospatial data analysts, graphic designers, and technical specialists. He is the co-founder and President of Better Block Hawaii, a non-profit corporation dedicated to exploring collaborative, innovative approaches to improving urban livability, and has served as the Chair of the Sierra Club Hawaii Chapter and Chair of the State Environmental Council. Your Committee notes that Mr. Glenn has worked in the areas of environmental and urban planning for over a decade and has significant experience with Environmental Assessments and Environmental Impact Statements. Your Committee further finds that Mr. Glenn previously served as Director of the Office of Environmental Quality Control from 2011 to 2014 and on an interim basis since 2015. Based on Mr. Glenn's knowledge, experience, and commitment to public service, your Committee finds that Mr. Glenn will continue to lead the important work of the Office.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, 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, 3 (Baker, Ruderman, Thielen).

SCRep. 3250 (Joint) Human Services and Housing on S.C.R. No. 60

The purpose and intent of this measure is to request the amendment of federal regulations so that housing subsidies through the Section 8 rental assistance and homeownership program (Section 8 program) paid directly to a supplemental nutrition assistance program applicant are excluded from the calculation of household income to determine eligibility for the supplemental nutrition assistance program.

Your Committees received testimony in support of this measure from three individuals.

Your Committees find that the United States Department of Agriculture offers the supplemental nutrition assistance program to provide nutrition assistance to low-income individuals and families whose income does not exceed a certain threshold. Housing subsidies from the United States Department of Housing and Urban Development are excluded from an applicant's income calculation for the supplemental nutrition assistance program if the housing subsidies are paid directly to the landlord or mortgagee on behalf of the recipient.

Your Committees further find that, in some instances, benefits from the Section 8 program cannot be made directly to vendors and are instead distributed to the program recipient, who in turn makes payment to the vendors. There are other instances when Section 8 program payments must be made directly to recipients, who then distribute their own mortgage payments. While these recipients receive the same Section 8 benefits as recipients whose mortgage payments are made directly from the administering office, a recipient of the Section 8 program may be income ineligible for the supplemental nutrition assistance program simply because the office distributing Section 8 program benefits is unable to make payments directly to the landlord, mortgagee, or other vendors. Your Committees urge prompt action to correct this unjust result and ill-conceived policy.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 60 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Human Services: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Ruderman).

Housing: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ihara, Wakai).

SCRep. 3251 (Joint) Human Services and Housing on S.R. No. 32

The purpose and intent of this measure is to request the amendment of federal regulations so that housing subsidies through the Section 8 rental assistance and homeownership program (Section 8 program) paid directly to a supplemental nutrition assistance program applicant are excluded from the calculation of household income to determine eligibility for the supplemental nutrition assistance program.

Your Committees received testimony in support of this measure from three individuals.

Your Committees find that the United States Department of Agriculture offers the supplemental nutrition assistance program to provide nutrition assistance to low-income individuals and families whose income does not exceed a certain threshold. Housing subsidies from the United States Department of Housing and Urban Development are excluded from an applicant's income calculation for the supplemental nutrition assistance program if the housing subsidies are paid directly to the landlord or mortgagee on behalf of the recipient.

Your Committees further find that, in some instances, benefits from the Section 8 program cannot be made directly to vendors and are instead distributed to the program recipient, who in turn makes payment to the vendors. There are other instances when Section 8 program payments must be made directly to recipients, who then distribute their own mortgage payments. While these recipients receive the same Section 8 benefits as recipients whose mortgage payments are made directly from the administering office, a recipient of the Section 8 program may be income ineligible for the supplemental nutrition assistance program simply because the office

distributing Section 8 program benefits is unable to make payments directly to the landlord, mortgagee, or other vendors. Your Committees urge prompt action to correct this unjust result and ill-conceived policy.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 32 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.
 Human Services: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Ruderman).
 Housing: Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ihara, Wakai).

SCRep. 3252 (Joint) Education and Water, Land, and Agriculture on S.R. No. 96

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 Committees received testimony in support of this measure from the Department of Education, Hawaii Department of Agriculture, University of Hawaii System, Hawaii Farm Bureau, Hawaii State Teachers Association, National Farm to School Network, Hawaii Island School Garden Network, Kokua Hawaii Foundation, Local Food Coalition, and six individuals.

Your Committees find that farm to school initiatives connect schools and local farms with the objective of serving healthy meals in school cafeterias, improving student nutrition, and lowering childhood obesity. Such initiatives give students access to fresh, local foods and numerous educational opportunities. Farm to school programs already exist in some schools in Hawaii, and your Committees further find that the United States Congress has designated October as National Farm to School Month. This measure would align Hawaii’s farm to school policy with the national initiative and draw attention within the State to the important issue of sustainable, healthy, local food in Hawaii’s schools. Your Committees additionally find that the average age of commercial farmers in Hawaii is over sixty years old, and encouraging students to develop the farming workforce will benefit the industry.

Your Committees have amended this measure by noting that the average age of Hawaii’s commercial farmers is over sixty years old and action is necessary to encourage students to look at career paths in the farming industry and increasing farm-related workforce development.

As affirmed by the records of votes of the members of your Committees on Education and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 96, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 96, S.D. 1.

Signed by the Chairs on behalf of the Committees.
 Education: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).
 Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3253 (Joint) Education and Water, Land, and Agriculture on S.C.R. No. 131

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 Committees received testimony in support of this measure from the Department of Education, Hawaii Department of Agriculture, University of Hawaii System, Hawaii Farm Bureau, Hawaii State Teachers Association, National Farm to School Network, Hawaii Island School Garden Network, Kokua Hawaii Foundation, Local Food Coalition, and six individuals.

Your Committees find that farm to school initiatives connect schools and local farms with the objective of serving healthy meals in school cafeterias, improving student nutrition, and lowering childhood obesity. Such initiatives give students access to fresh, local foods and numerous educational opportunities. Farm to school programs already exist in some schools in Hawaii, and your Committees further find that the United States Congress has designated October as National Farm to School Month. This measure would align Hawaii’s farm to school policy with the national initiative and draw attention within the State to the important issue of sustainable, healthy, local food in Hawaii’s schools. Your Committees additionally find that the average age of commercial farmers in Hawaii is over sixty years old, and encouraging students to develop the farming workforce will benefit the industry.

Your Committees have amended this measure by noting that the average age of Hawaii’s commercial farmers is over sixty years old and action is necessary to encourage students to look at career paths in the farming industry and increasing farm-related workforce development.

As affirmed by the records of votes of the members of your Committees on Education and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 131, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 131, S.D. 1.

Signed by the Chairs on behalf of the Committees.
 Education: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Kahele).
 Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3254 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.C.R. No. 63

The purpose and intent of this measure is to urge the State to establish an annual Statewide Clean-Up Day on April 22 to coincide with Earth Day and celebrate and honor Hawaii’s environment and natural resources.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Tour Guides of Hawaii, and one individual.

Your Committees find that Earth Day is celebrated on April 22 to celebrate Earth's life and beauty and promote preservation and conservation efforts. Your Committees further find that Hawaii, being acclaimed for its physical beauty and natural resources, should establish a local effort to celebrate its beauty and promote the importance of protecting Hawaii's environment and natural resources.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 63 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Thielen).

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Shimabukuro, Thielen).

SCRep. 3255 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on S.R. No. 35

The purpose and intent of this measure is to urge the State to establish an annual Statewide Clean-Up Day on April 22 to coincide with Earth Day and celebrate and honor Hawaii's environment and natural resources.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Tour Guides of Hawaii, and one individual.

Your Committees find that Earth Day is celebrated on April 22 to celebrate Earth's life and beauty and promote preservation and conservation efforts. Your Committees further find that Hawaii, being acclaimed for its physical beauty and natural resources, should establish a local effort to celebrate its beauty and promote the importance of protecting Hawaii's environment and natural resources.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 35 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Thielen).

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Shimabukuro, Thielen).

SCRep. 3256 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on S.C.R. No. 53

The purpose and intent of this measure is to urge immediate enforcement of the prohibition of commercial activity under the 1965 SurfRider-Royal Hawaiian Sector Beach Agreement, an explanation of implications of a certain pre-setting proposal, and preparation of an environmental assessment.

Your Committees received testimony in support of this measure from Ho'omana Pono, LLC; and six individuals. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources, Waikiki Beach Special Improvement District Association, Land Use Research Foundation of Hawaii, and Outrigger Enterprises Group.

Your Committees find that user conflicts regarding commercial activity on Waikiki Beach have existed for years. The 1965 SurfRider-Royal Hawaiian Sector Beach Agreement established private property owned by the Royal Hawaiian, Outrigger, and Moana SurfRider hotels that is subject to a public easement over Waikiki Beach. The 1965 agreement also prohibits commercial activities within the public easement. As directed by Act 145, Session Laws of Hawaii 2014, the Department of Land and Natural Resources chose to form a working group to identify and implement management strategies for the resolution of user conflicts involving the pre-setting of beach chairs and umbrellas in the SurfRider-Royal Hawaiian Sector of Waikiki Beach. All parties agree that pre-setting is a commercial activity and therefore not permitted within the public easement; however, there is disagreement with regard to the definition of "pre-setting", which is not defined in statute, rules, or the 1965 agreement. The working group is forming a definition of "pre-setting".

Your Committees further find that because the Department of Land and Natural Resources seems to be making progress on this issue, immediate enforcement of the 1965 agreement, a memorandum from the Attorney General, and an environmental assessment regarding the SurfRider-Royal Hawaiian Sector are not necessary at this time; however, your Committees find that the Legislature should be informed as to the progress of the Department and the working group.

Your Committees have therefore amended this measure by:

- (1) Requesting that the Department of Land and Natural Resources submit a report on its progress regarding the resolution of conflicts under the prohibition of commercial activity under the 1965 SurfRider-Royal Hawaiian Sector Beach Agreement, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017 and Regular Session of 2018, rather than urging immediate enforcement of the 1965 agreement;
- (2) Deleting language that would have requested the Attorney General to provide a memorandum regarding the working group's pre-setting proposal and jointly report with the Department of Land and Natural Resources on state actions to enforce the 1965 agreement;
- (3) Deleting language that would have requested the Department of Land and Natural Resources to prepare an environmental assessment;
- (4) Deleting potentially inaccurate statements;
- (5) Inserting language to describe the history and progress of the working group;
- (6) Amending the title to reflect its amended purpose; 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, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 53, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 53, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Shimabukuro, Thielen).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Thielen).

SCRep. 3257 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on S.R. No. 27

The purpose and intent of this measure is to urge immediate enforcement of the prohibition of commercial activity under the 1965 SurfRider-Royal Hawaiian Sector Beach Agreement, an explanation of implications of a certain pre-setting proposal, and preparation of an environmental assessment.

Your Committees received testimony in support of this measure from Ho'omana Pono, LLC; and six individuals. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources, Waikīkī Beach Special Improvement District Association, Land Use Research Foundation of Hawaii, and Outrigger Enterprises Group.

Your Committees find that user conflicts regarding commercial activity on Waikiki Beach have existed for years. The 1965 SurfRider-Royal Hawaiian Sector Beach Agreement established private property owned by the Royal Hawaiian, Outrigger, and Moana SurfRider hotels that is subject to a public easement over Waikiki Beach. The 1965 agreement also prohibits commercial activities within the public easement. As directed by Act 145, Session Laws of Hawaii 2014, the Department of Land and Natural Resources chose to form a working group to identify and implement management strategies for the resolution of user conflicts involving the pre-setting of beach chairs and umbrellas in the SurfRider-Royal Hawaiian Sector of Waikiki Beach. All parties agree that pre-setting is a commercial activity and therefore not permitted within the public easement; however, there is disagreement with regard to the definition of "pre-setting", which is not defined in statute, rules, or the 1965 agreement. The working group is forming a definition of "pre-setting".

Your Committees further find that because the Department of Land and Natural Resources seems to be making progress on this issue, immediate enforcement of the 1965 agreement, a memorandum from the Attorney General, and an environmental assessment regarding the SurfRider-Royal Hawaiian Sector are not necessary at this time; however, your Committees find that the Legislature should be informed as to the progress of the Department and the working group.

Your Committees have therefore amended this measure by:

- (1) Requesting that the Department of Land and Natural Resources submit a report on its progress regarding the resolution of conflicts under the prohibition of commercial activity under the 1965 SurfRider-Royal Hawaiian Sector Beach Agreement, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017 and Regular Session of 2018, rather than urging immediate enforcement of the 1965 agreement;
- (2) Deleting language that would have requested the Attorney General to provide a memorandum regarding the working group's pre-setting proposal and jointly report with the Department of Land and Natural Resources on state actions to enforce the 1965 agreement;
- (3) Deleting language that would have requested the Department of Land and Natural Resources to prepare an environmental assessment;
- (4) Deleting potentially inaccurate statements;
- (5) Inserting language to describe the history and progress of the working group;
- (6) Amending the title to reflect its amended purpose; 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, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of S.R. No. 27, as amended herein, and recommend its adoption in the form attached hereto as S.R. No. 27, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 6. Noes, none. Excused, 3 (Dela Cruz, Shimabukuro, Thielen).

Economic Development, Environment, and Technology: Ayes, 7. Noes, none. Excused, 2 (Keith-Agaran, Thielen).

SCRep. 3258 Hawaiian Affairs on S.C.R. No. 163

The purpose and intent of this measure is to commemorate and honor the life of Robert William Kalanihiapo Wilcox.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Ho'omana Pono, LLC; and eight 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 three individuals.

Your Committee finds that Mr. Wilcox was Hawaii's first elected representative to the United States Congress and was a leader to the Hawaiian people throughout the radical changes in Hawaii's government occurring in his lifetime.

Your Committee has amended this measure by:

- (1) Adding information about Mr. Wilcox's successful lobbying effort in Congress to grant universal voting rights for men in the legislation that would become the 1900 Hawaiian Organic Act, to ensure that Native Hawaiian interests were adequately represented in the Territory of Hawaii government;
- (2) Adding information about Mr. Wilcox's support for Hawaii becoming a state of the Union to ensure greater local control of Hawaii's government;
- (3) Acknowledging that Mr. Wilcox may serve as an inspiration in contemporary times in advocacy efforts for Native Hawaiian self-governance in various and multiple forums; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

Your Committee notes the testimony of Mr. Wilcox's family in support of this measure and providing direct historical background of Mr. Wilcox. Your Committee also notes the testimony of Kaulana Keli'i Bonnet stating that this measure could be "an important step toward reconciliation with the Hawaiian people and the healing of our nation."

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. 163, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 163, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3259 Hawaiian Affairs on S.R. No. 124

The purpose and intent of this measure is to commemorate and honor the life of Robert William Kalanihiapo Wilcox.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; Ho'omana Pono, LLC; and eight 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 three individuals.

Your Committee finds that Mr. Wilcox was Hawaii's first elected representative to the United States Congress and was a leader to the Hawaiian people throughout the radical changes in Hawaii's government occurring in his lifetime.

Your Committee has amended this measure by:

- (1) Adding information about Mr. Wilcox's successful lobbying effort in Congress to grant universal voting rights for men in the legislation that would become the 1900 Hawaiian Organic Act, to ensure that Native Hawaiian interests were adequately represented in the Territory of Hawaii government;
- (2) Adding information about Mr. Wilcox's support for Hawaii becoming a state of the Union to ensure greater local control of Hawaii's government;
- (3) Acknowledging that Mr. Wilcox may serve as an inspiration in contemporary times in advocacy efforts for Native Hawaiian self-governance in various and multiple forums; and
- (4) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

Your Committee notes the testimony of Mr. Wilcox's family in support of this measure and providing direct historical background of Mr. Wilcox. Your Committee also notes the testimony of Kaulana Keli'i Bonnet stating that this measure could be "an important step toward reconciliation with the Hawaiian people and the healing of our nation."

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. 124, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 124, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (English).

SCRep. 3260 Ways and Means on S.C.R. No. 7

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to formalize a previously approved term, non-exclusive easement covering a portion of state submerged lands fronting Apartments A and B of the 1688 Halama Street Condominium, also identified as Tax Map Key: (2) 3-9-11:8, and seaward, situated at Waiohuli-Keokea (Kihei), Wailuku, Maui, Hawaii, 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 also finds that an existing seawall fronting the property identified as Tax Map Key: (2) 3-9-11:8, and seaward, situated at Waiohuli-Keokea (Kihei), Wailuku, Maui was placed partially on state submerged lands. At its meeting on August 10, 1990, the Board of Land and Natural Resources granted the previous owners of the property that the seawall fronts a perpetual easement permitting the use, repair, and maintenance of this seawall.

Your Committee further finds that despite administrative approval and the payment of necessary fees, the formal easement document, for reasons unknown, was not finalized. Ownership of the property has changed hands since initial approval of the easement. At its meeting on May 8, 2015, the Board of Land and Natural Resources approved the request of the current owners of the

property, the Association of Apartment Owners of the 1688 Halama Street Condominium, for a term, non-exclusive easement for a term of sixty-five years, commencing August 10, 1990.

As 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. 7 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3261 Ways and Means on S.C.R. No. 9

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) 4-6-003: seaward of 007, Heeia, Koolaupoko, Oahu, for the use, construction, maintenance, and repair of the existing boat dock 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 the existing boat dock fronting the property identified as Tax Map Key: (1) 4-6-003: seaward of 007, Heeia, Koolaupoko, Oahu was placed on state submerged lands. The current owner of this abutting property has an existing easement for the boat dock. The owner of the land and the Department of Land and Natural Resources have worked together to expand the existing easement. On December 9, 2010, under agenda item D-10, the Board of Land and Natural Resources approved the issuance of an amendment to expand the existing easement.

As 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, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3262 Ways and Means on S.C.R. No. 10

The purpose and intent of this measure is to provide legislative approval for the sale of the leased fee interest in the property located at 41-648 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 and Finance 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 legislative approval of the sale of certain lands. The Hawaii Housing Finance and Development Corporation desires to sell the leased fee interest in a parcel of land located at 41-648 Inoaole Street, Waimanalo, Hawaii. The property comprises a single-family home, which was built in 1975 as part of the Hale Aupuni affordable for-sale development, and 4,024 square feet of land. Your Committee finds that the proposed sale meets the statutory requirements and that proceeds from the sale will be deposited into the dwelling unit revolving fund, which will support the development and construction of additional affordable housing units.

As 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, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3263 Ways and Means on S.C.R. No. 11

The purpose and intent of this measure is to grant legislative approval to sell the leased fee interest in 47-394 Keohapa Place, Kaneohe, 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.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the parcel was not a portion of the government or crown lands prior to August 15, 1895, and no objection to the proposed sale was raised at a public informational briefing on the proposed sale that was held by the Hawaii Housing Finance and Development Corporation on August 17, 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 concurs with the intent and purpose of S.C.R. No. 11 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3264 Ways and Means on S.C.R. No. 12

The purpose and intent of this measure is to grant legislative approval to sell the leased fee interest in 95-029 Kuahelani Avenue, No. 128, 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.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds that the parcel was private land as of August 15, 1895, and no objection to the proposed sale was raised at a public informational briefing on the proposed sale that was held by the Hawaii Housing Finance and Development Corporation on August 13, 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 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, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3265 Ways and Means on S.C.R. No. 13

The purpose and intent of this measure is to approve the sale of the leased fee interest in 94-946 Meheula Parkway, No. 264, Mililani, Hawaii, in a manner that complies with section 171-64.7, Hawaii Revised Statutes.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; and one individual.

Your Committee received written comments on this measure from the Office of Hawaiian Affairs.

Your Committee recognizes that the Hawaii Housing Finance and Development Corporation is attempting to sell the leased fee interest in 94-946 Meheula Parkway, No. 264 to its current leasehold owner. Your Committee finds that the Hawaii Housing Finance and Development Corporation and the language of this measure have complied with several necessary prerequisites for the sale of the property, as set forth in section 171-64.7, Hawaii Revised Statutes. Your Committee therefore finds that the proposed sale meets the statutory requirements for approval of the sale.

As 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. 13 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3266 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) 5-4-003: seaward of 035, Kaipapau, Koolauloa, Oahu, for the maintenance and repair of the existing rock seawall, and for the use, repair, and maintenance of the existing improvements 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 also finds that portions of the existing rock seawall fronting the property identified as Tax Map Key: (1) 5-4-003: seaward of 035, Kaipapau, Koolauloa, Oahu, was placed upon state submerged lands. Your Committee further finds that, on July 10, 2015, under agenda item D-7, the Board of Land and Natural Resources approved a grant of a 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, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3267 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) 4-5-001: seaward of 018, Kaneohe, Koolaupoko, Oahu, for the maintenance and repair of the existing pier, and for the use, repair, and maintenance of the existing improvements 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 also finds that portions of the existing pier fronting the property identified as Tax Map Key: (1) 4-5-001: seaward of 018, Kaneohe, Koolaupoko, Oahu, was placed upon state submerged lands. Your Committee further finds that, on June 26, 2015, under agenda item D-8, the Board of Land and Natural Resources approved a grant of a 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. 15 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3268 Ways and Means on S.C.R. No. 17

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion Tax Map Key: (1) 8-4-005: seaward of 002, Makaha, Waianae, Oahu, for the repair and maintenance of the existing seawall and the use, repair, and maintenance of the existing improvements constructed thereon, 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, on January 11, 2013, the Board of Land and Natural Resources approved a grant of a fifty-five year non-exclusive easement to resolve the encroachment of the existing seawall identified in this measure, subject to certain conditions, and that the grantee is required to pay the State \$7,351 as consideration for the use of public lands. Your Committee further finds that the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution, pursuant to section 171-53, Hawaii Revised Statutes. Your Committee also finds that the easement is necessary to resolve the encroachment and to authorize and facilitate the use, repair, and maintenance of the seawall and improvements constructed thereon.

As 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, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3269 Ways and Means on S.C.R. No. 18

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement for the portion of state submerged lands fronting the property identified as Tax Map Key: (1) 1-5-041: portions of 006, Sand Island, Oahu, for the use, maintenance, improvement, and replacement of the existing floating dock constructed thereon, 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 and the University of Hawaii.

Your Committee finds that on September 25, 2015, the Board of Land and Natural Resources approved a grant of a sixty-five year lease, which includes a non-exclusive easement to resolve the encroachment of the floating dock upon state submerged lands. Pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that granting the easement is necessary to authorize and facilitate the improvement, maintenance, repair, and use of the existing floating dock by the University of Hawaii for educational purposes.

As 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. 18, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3270 Ways and Means on S.C.R. No. 19

The purpose and intent of this measure is to authorize the issuance of an easement for state submerged lands.

Specifically, this measure authorizes the Board of Land and Natural Resources to issue a term, non-exclusive easement covering a portion of state submerged lands fronting property located in Kukuuiula, Koloa, Kauai, for the maintenance and repair of the existing rock seawall, and for the use, maintenance, and repair of the existing improvements.

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 Board of Land and Natural Resources to obtain authorization from the Legislature to engage in disposition of state submerged lands. The Board has identified portions of a seawall fronting the property identified as Tax Map Key: (4) 2-6-012, as encroaching upon state submerged lands. Your Committee further finds that this measure expresses the requisite legislative approval so that an easement may be issued for use of those state submerged lands.

As 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, 7. Noes, none. Excused, 4 (Galuteria, Harimoto, Riviere, Taniguchi).

SCRep. 3271 Ways and Means on S.C.R. No. 138

The purpose and intent of this measure is to request the Tax Review Commission to conduct or commission a study that evaluates the impacts of general excise and use tax increases as proposed under Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016, proposed increases to the general excise and use tax to finance education programs and long-term care benefits, respectively. However, certain impacts of each measure were not understood or fully discussed because of a lack of sufficient objective information. Each measure was deferred during the Regular Session of 2016.

Your Committee further finds that a Tax Review Commission is anticipated to be convened pursuant to Article VII, section 3, of the State Constitution. A duty of the Tax Review Commission is to recommend revenue and tax policy. Your Committee believes that a study conducted or commissioned by the Tax Review Commission that evaluates the impacts of general excise and use tax increases as proposed under Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016, may provide the Legislature with sufficient objective information to fully consider these measures.

As 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, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3272 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 656 and 657

Recommending that the Senate advise and consent to the nominations of the following:

LANGUAGE ACCESS ADVISORY COUNCIL

G.M. No. 656 LINDA NULAND-AMES, for a term to expire 06-30-2017; and

G.M. No. 657 SUZANNE ZENG, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Linda Nuland-Ames and Suzanne Zeng to possess the requisite qualifications to be nominated to the Language Access Advisory Council.

LINDA NULAND-AMES

Your Committee received testimony in support of the nomination of Linda Nuland-Ames from the Office of Language Access.

Your Committee finds that Ms. Nuland-Ames is presently the Equal Employment Opportunity and Americans with Disabilities Act Coordinator for the County of Kauai, a position she has held since 2012, and has previous work experience as a Project Director for the County of Kauai and as an attorney for the Hawaii Disability Rights Center and in private practice. Your Committee further finds that Ms. Nuland-Ames' experience and expertise in civil rights issues, training county employees on language awareness and obtaining interpreter services, and community service on the Kauai Developmental Disabilities Committee and Mayor's Advisory Committee for Equal Access on Kauai, demonstrate her understanding of board operations and ability to advance the goals of the Office of Language Access.

SUZANNE ZENG

Your Committee received testimony in support of the nomination of Suzanne Zeng from the Office of Language Access and one individual.

Your Committee finds that Ms. Zeng is presently an Instructor, Community Liaison, and Summer Intensive Interpreter Training Program Coordinator for the Center for Interpretation and Translation Studies at the University of Hawaii at Manoa. Your Committee further finds that Ms. Zeng also serves as a member of the Hawaii Supreme Court Committee for Court Interpreting and Language Access Advisory Council and Hawaii Department of Human Services Language Advocacy and Advisory Council, where she has actively demonstrated her commitment to issues related to language access within and outside of the court system, including working to establish higher standards for state court interpreters.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3273 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 55

The purpose and intent of this measure is to encourage the Department of Public Safety to continue and expand its community-based work furlough programs to assist formerly incarcerated female inmates transition back into society.

Your Committee received testimony in support of this measure from the Department of Public Safety; Hawaii State Democratic Women's Caucus; Hawaii State Commission on the Status of Women; Office of Hawaiian Affairs; Young Women's Christian Association; Ho'omana Pono, LLC; Community Alliance on Prisons; American Association of University Women Hawaii; Hawaii Women's Coalition; and nine individuals.

Your Committee finds that community-based work furlough programs that assist formerly incarcerated persons transition back into society reduce costs of incarceration and rates of recidivism, especially in cases of nonviolent offenders. Research indicates that such programs are effective at reducing the cycle of substance abuse, crime, and incarceration. Your Committee further finds that the majority of female inmates incarcerated in Hawaii are nonviolent offenders, and that many are victims of gender based violence and trauma. Expanding community-based work furlough program opportunities for these individuals will help them re-integrate into society.

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. 55 and recommends that it be referred to your Committees on Judiciary and Labor and Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 3274 Commerce, Consumer Protection, and Health on H.B. No. 2331

The purpose and intent of this measure is to amend terms for board members of the Board of Nursing and Board of Speech Pathology and Audiology from three to four years.

Your Committee received testimony in support of this measure from the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs, University of Hawai'i at Manoa School of Nursing and Dental Hygiene, Hawai'i Pacific Health, Hawaii Association of Professional Nurses, and six individuals.

Your Committee finds that this measure aligns the terms of board members on the Board of Nursing and Board of Speech Pathology and Audiology with the terms of members serving on the other twenty-three boards and commissions under the Professional and Vocational Licensing Division. Your Committee further finds that these consistent term limits will encourage longevity, continuity, and effectiveness among board members and ensure board members have ample time to adapt to their roles.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2331, 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, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3275 Commerce, Consumer Protection, and Health on H.B. No. 1096

The purpose and intent of this measure is to specify that mortgage loan originator companies shall be open for business to the public during posted business hours, which at a minimum, shall be offered within regular business hours.

Your Committee received testimony in support of this measure from the Hawaii Association of Mortgage Brokers. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that there has been some confusion regarding the application of posted business hour requirements for mortgage loan originator companies under existing law. This measure is intended to clarify these requirements. Your Committee further finds that the Division of Financial Institutions and interested stakeholders have worked on language to further clarify these requirements, thereby allowing business hours to vary by location; requiring a location to be open to the public during some, but not all, regular business hours; and allowing a location to also be open at times outside of regular business hours. An amendment to incorporate this collaborative language is therefore necessary.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that mortgage loan originator companies shall be open for business to the public during posted business hours, at least some of which shall be during regular business hours; and
- (2) Amending its effective date to July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1096, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1096, 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, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3276 Commerce, Consumer Protection, and Health on H.B. No. 2727

The purpose and intent of this measure is to require a public accommodation that owns, leases, leases to, or operates a motion picture theater 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 produced and offered with open movie captioning and audio descriptions upon request for all motion pictures for which such accommodations are available and provide public notice if such accommodations are not available for certain movies.

Your Committee received testimony in support of this measure from the Department of Human Services; Division of Vocational Rehabilitation of the Department of Human Services; Disability and Communication Access Board; State Council on Developmental Disabilities; Hawai'i Civil Rights Commission; Hawai'i Disability Rights Center; Hawai'i Deaf Surfriders Association; Isle Interpret, LLC; and seventeen individuals. Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that Act 39, Session Laws of Hawaii 2015 (Act 39) requires a public accommodation that owns, leases, leases to, or operates a motion picture theater in more than two locations in the State to provide open movie captioning and audio descriptions upon request. Act 39 was intended to improve accessibility for movie goers who are deaf, hard of hearing, or blind or have low vision. According to testimony from the Disability and Communication Access Board, since the passage of Act 39, feedback from persons who are deaf or hard of hearing has been very positive. The Disability and Communication Access Board has also received positive comments from older residents, indicating that open captioned movies are helpful and appreciated. However, Act 39 is scheduled to repeal on January 1, 2018.

Your Committee further finds that this measure is intended to make permanent the motion picture accommodation requirements originally enacted pursuant to Act 39 by adding a new section to chapter 489, Hawaii Revised Statutes, relating to motion picture theater accommodation. However, your Committee notes that this measure is substantively identical to the language in Act 39, which was codified as section 489-9, Hawaii Revised Statutes. Your Committee concludes that, rather than restating language that has already been codified, removing the sunset date from Act 39 is a more straightforward solution, which will avoid a situation where the Hawaii Revised Statutes contain two sections that address identical subject matter.

Finally, your Committee notes that the requirements of Act 39 go beyond those contemplated in proposed federal rules currently being considered by the United States Department of Justice. Removing the sunset date from Act 39 allows full inclusion of persons with disabilities, as contemplated by the federal Rehabilitation Act of 1973, as amended, and the Americans with Disabilities Act of 1990, as amended, and will ensure that Hawaii continues to support full access for persons with disabilities and meaningful accessibility requirements for movie theaters, even after the final approval of any proposed federal rule.

Your Committee has amended this measure by:

- (1) Removing language that would have added a new section in chapter 489, Hawaii Revised Statutes, as this section is substantively identical to the existing section 489-9, Hawaii Revised Statutes;
- (2) Making permanent the requirements for motion picture theater accommodation by removing the sunset date of Act 39, Session Laws of Hawaii 2015;
- (3) Inserting an effective date of 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2727, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2727, 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 (Nishihara, Slom).

SCRep. 3277 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 672 and 673

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, HAWAI'I COUNTY SUBAREA

- GM. No. 672 MALIA PRUETT, for a term to expire 06-30-2019 (name amended to MALIA TALLETT by GM729); and
GM. No. 673 SCOTT DANIELS, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Malia Tallett and Scott Daniels to possess the requisite qualifications to be nominated to the Health Planning Council, Hawai'i County Subarea.

MALIA TALLETT

Your Committee received testimony in support of the nomination of Malia Tallett from the State Health Planning and Development Agency, Kona-Kohala Chamber of Commerce, and one individual.

Your Committee finds that Dr. Tallett is presently an Outpatient Physical Therapist with the Hawaii Physical Therapy and Chiropractic Clinic, Inc., and a per diem Skilled Nursing Physical Therapist with Brighton Mountain Land Rehabilitation. Dr. Tallett also has previous work experience as an Outpatient Physical Therapist at Big Island Physical Therapy Care, Acute Care Physical Therapist at Alta Bates Summit Medical Center, and Home Health Physical Therapist with Dori Maxon's Pediatric Contracting Services, Inc. Your Committee further finds that Dr. Tallett is an active member of the community as she is currently the Hilo High School's Girls Varsity Water Polo Coach and volunteers to assist with sports injuries at Pop Warner football games. Your Committee finds that Dr. Tallett's expertise in physical therapy, background, and willingness to serve the public will greatly benefit the Health Planning Council, Hawai'i County Subarea.

SCOTT DANIELS

Your Committee received testimony in support of the nomination of Scott Daniels from the Department of Health, State Health Planning and Development Agency, and four individuals.

Your Committee finds that Dr. Daniels is presently a Program Specialist for the Office of Primary Care and Rural Health in the Department of Health and has previous work experience as a Performance Improvement/Flex Coordinator and Interim Chief for the Office of Primary Care and Rural Health, Senior Analyst at the Hawaii Health Information Corporation, and Lecturer for the Public Administration Program at the University of Hawaii at Manoa. Your Committee further finds that Dr. Daniels is the President of the National Organization of State Offices of Rural Health and a member of the Technical Assistance Service Center Advisory Board, National Center for Rural Health Works Advisory Board, Pacific Basin Telehealth Resource Center Advisory Board, and Hawaii Trauma Advisory Committee. Your Committee finds that Dr. Daniels' proven leadership; background in health care at the local, state, and national levels; and dedication to public service will greatly benefit the Health Planning Council, Hawai'i County Subarea.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3278 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. Nos. 599, 600, 652, 653, and 654

Recommending that the Senate advise and consent to the nominations of the following:

ADVISORY BOARD ON VETERANS' SERVICES

- G.M. No. 599 BRIDGET KOMINE, for a term to expire 06-30-2017;
- G.M. No. 600 HAROLD BUGADO, for a term to expire 06-30-2019;
- G.M. No. 652 ANN GREENLEE, for a term to expire 06-30-2020;
- G.M. No. 653 CHELSEA FERNANDEZ, for a term to expire 06-30-2020; and
- G.M. No. 654 WILLIAM PARK, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories and statements submitted by the nominees and finds Bridget Komine, Harold Bugado, Ann Greenlee, Chelsea Fernandez, and William Park to possess the requisite qualifications to be nominated to the Advisory Board on Veterans' Services.

BRIDGET KOMINE

Your Committee received testimony in support of Bridget Komine from the Department of Defense, Office of Veterans' Services, and four individuals.

Upon review of the testimony, your Committee finds that Ms. Komine's experience, background, and commitment to serving veterans qualify her for consideration for appointment to the Advisory Board on Veterans' Services. Ms. Komine served in the United States Air Force and Hawaii Air National Guard for more than thirty years, and retired as a Chief Master Sergeant. Currently, she is the Assistant Director of the United States Department of Labor, Veterans Employment and Training Service, for Hawaii and Guam. In that capacity, she has helped to develop and sustain the Hawaii Hires Heroes program to ensure that veterans seeking job opportunities are connected with veteran-friendly employers. Additionally, Ms. Komine has served on the Advisory Board on Veterans' Services as an interim appointee and has attended each monthly meeting.

Your Committee finds that Ms. Komine's past military service, as well as her continued support of and commitment to serving veterans, will be great assets to the Advisory Board on Veterans' Services.

HAROLD BUGADO

Your Committee received testimony in support of Harold Bugado from the Department of Defense, Office of Veterans' Services, and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Bugado's experience, background, and commitment to serving veterans qualify him for consideration for reappointment to the Advisory Board on Veterans' Services. Mr. Bugado is a former Captain in the United States Air Force who was awarded the Air Medal for his service in the Vietnam Conflict. After leaving the armed forces, Mr. Bugado was employed with the County of Hawaii, Parks and Recreation Department, Elderly Activities Division for thirty-six years. For twenty of those years, he served as the Operations Director of the Division, during which time he headed six major senior programs throughout the County of Hawaii and received numerous accolades for his leadership and work in the community. Additionally, Mr. Bugado has been a valuable member of the Advisory Board on Veterans' Services during his first term.

Your Committee finds that Mr. Bugado's past military experience, as well as his extensive record of public service and commitment to serving veterans, will continue to be great assets to the Advisory Board on Veterans' Services.

ANN GREENLEE

Your Committee received testimony in support of Ann Greenlee from the Department of Defense, Office of Veterans' Services, and four individuals.

Upon review of the testimony, your Committee finds that Ms. Greenlee's experience, background, and commitment to serving veterans qualify her for consideration for reappointment to the Advisory Board on Veterans' Services. Ms. Greenlee is a retired Brigadier General with over thirty-two years of military service. Currently, Ms. Greenlee is the Director of the United States Department of Labor, Veterans Employment and Training Service, for Hawaii and Guam, where her leadership and diligent efforts have resulted in a drop in the unemployment rate for veterans in Hawaii from over eight percent to an all-time low of 5.3 percent. Additionally, Ms. Greenlee is serving as the Chairperson of the Advisory Board on Veterans' Services.

Your Committee finds that Ms. Greenlee's past military service, long history of commitment to serving veterans, and leadership as Chairperson of the Advisory Board on Veterans' Services will continue to be great assets to the Advisory Board on Veterans' Services.

CHELSEA FERNANDEZ

Your Committee received testimony in support of Chelsea Fernandez from the Department of Defense, Office of Veterans' Services, and four individuals.

Upon review of the testimony, your Committee finds that Ms. Fernandez's experience, background, and commitment to serving veterans qualify her for consideration for reappointment to the Advisory Board on Veterans' Services. Ms. Fernandez is a veteran of the United States Army Reserve and has served a tour of duty in Iraq. Since leaving the armed forces, Ms. Fernandez has held positions in the private professional sector, as well as being a member of the Hawaii Military Women Veterans Task Force and Na Koa

Kahiko Wahine – Military Women’s Organization. Additionally, she has served a term on the Advisory Board on Veterans’ Services, where she represented veterans who served in Iraq and Afghanistan and are readjusting to civilian life.

Your Committee finds that Ms. Fernandez’s past military service, as well as her continued support of and commitment to serving veterans, will continue to be great assets to the Advisory Board on Veterans’ Services.

WILLIAM PARK

Your Committee received testimony in support of William Park from the Department of Defense; Office of Veterans’ Services; Papa Ola Lokahi, Inc.; The Spoehr Foundation; Molokai Veterans Caring for Veterans; and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Park’s experience, background, and commitment to serving veterans qualify him for consideration for reappointment to the Advisory Board on Veterans’ Services. Mr. Park is a veteran who served more than twenty years in the United States Army and later the Hawaii Army National Guard. After leaving the armed forces, Mr. Park did extensive work on programs centered on assisting veterans at organizations such as Helping Hands Hawaii and Papa Ola Lokahi. Additionally, he has served a term as the Vice Chairperson of the Advisory Board on Veterans’ Services.

Your Committee finds that Mr. Park’s past military service, previous leadership of the Advisory Board on Veterans’ Services, and continued support of and commitment to serving veterans, will continue to be great assets 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, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 3279 Ways and Means on Gov. Msg. No. 590

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 2ND TAXATION DISTRICT (MAUI)

G.M. No. 590 ALAN BERNALDO, for a term to expire 06-30-2016

Your Committee reviewed the personal statement and resume submitted by Alan Bernaldo for service on the Board of Taxation Review for the 2nd Taxation District (Maui).

Your Committee received testimony in support of the nomination of Alan Bernaldo from the Department of Taxation. Written testimony presented to the Committee may be reviewed on the Legislature’s website.

Upon review of the testimony, your Committee finds that the nominee’s many years of experience in the areas of tax, auditing, and accounting, as well as his activity in the Maui tax community and in professional organizations, qualify him to serve on the Board of Taxation Review for the 2nd Taxation District. Your Committee notes that Mr. Bernaldo received a Bachelor of Accounting from the University of Hawaii at Manoa. Mr. Bernaldo is a certified public accountant and has over forty-five years of tax experience, with over thirty-five years of experience coming from work in his own practice. Prior to starting his practice, Mr. Bernaldo worked with Ernst & Ernst, Coopers & Lybrand, and other private firms.

Mr. Bernaldo is a member of professional organizations that include the American Institute of Certified Public Accountants, the Hawaii Society of Certified Public Accountants, and the Hawaii Association of Public Accountants. Mr. Bernaldo has previously served on the Board of Taxation Review for the 2nd Taxation District. Your Committee believes that the nominee’s extensive experience and dedication would benefit the Board of Taxation Review, as well as Hawaii taxpayers and the tax 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, 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, 9. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 3280 Ways and Means on Gov. Msg. No. 591

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 2ND TAXATION DISTRICT (MAUI)

G.M. No. 591 ALAN BERNALDO, for a term to expire 06-30-2020

Your Committee reviewed the personal statement and resume submitted by Alan Bernaldo for service on the Board of Taxation Review for the 2nd Taxation District (Maui).

Your Committee received testimony in support of the nomination of Alan Bernaldo from the Department of Taxation. Written testimony presented to the Committee may be reviewed on the Legislature’s website.

Upon review of the testimony, your Committee finds that the nominee’s many years of experience in the areas of tax, auditing, and accounting, as well as his activity in the Maui tax community and in professional organizations, qualify him to serve on the Board of Taxation Review for the 2nd Taxation District. Your Committee notes that Mr. Bernaldo received a Bachelor of Accounting from the University of Hawaii at Manoa. Mr. Bernaldo is a certified public accountant and has over forty-five years of tax experience, with over

thirty-five years of experience coming from work in his own practice. Prior to starting his practice, Mr. Bernaldo worked with Ernst & Ernst, Coopers & Lybrand, and other private firms.

Mr. Bernaldo is a member of professional organizations that include the American Institute of Certified Public Accountants, the Hawaii Society of Certified Public Accountants, and the Hawaii Association of Public Accountants. Mr. Bernaldo has previously served on the Board of Taxation Review for the 2nd Taxation District. Your Committee believes that the nominee's extensive experience and dedication would benefit the Board of Taxation Review, as well as Hawaii taxpayers and the tax 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, 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, 9. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 3281 Ways and Means on S.R. No. 102

The purpose and intent of this measure is to request the Tax Review Commission to conduct or commission a study that evaluates the impacts of general excise and use tax increases as proposed under Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016, proposed increases to the general excise and use tax to finance education programs and long-term care benefits, respectively. However, certain impacts of each measure were not understood or fully discussed because of a lack of sufficient objective information. Each measure was deferred during the Regular Session of 2016.

Your Committee further finds that a Tax Review Commission is anticipated to be convened pursuant to Article VII, section 3, of the State Constitution. A duty of the Tax Review Commission is to recommend revenue and tax policy. Your Committee believes that a study conducted or commissioned by the Tax Review Commission that evaluates the impacts of general excise and use tax increases as proposed under Senate Bill No. 2599 and Senate Bill No. 2478, Regular Session of 2016, may provide the Legislature with sufficient objective information to fully consider these measures.

As 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. 102 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3282 Human Services on Gov. Msg. Nos. 669 and 670

Recommending that the Senate advise and consent to the nominations of the following:

COMMISSION ON FATHERHOOD

G.M. No. 669 ALEXANDER HARRIS, for a term to expire 06-30-2019; and

G.M. No. 670 JAMES KAWIKA RILEY, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alexander Harris and James Kawika Riley to possess the requisite qualifications to be nominated to the Commission on Fatherhood.

ALEXANDER HARRIS

Your Committee received testimony in support of the nomination of Alexander Harris from the Department of Human Services and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Harris' background, experience, and proven leadership as a father and the Senior Program Officer for Education at the Harold K.L. Castle Foundation qualify him for consideration for appointment to the Commission on Fatherhood. Your Committee notes that Mr. Harris has spent his career in education policy, including serving as Policy Director of the Good Beginnings Alliance; Program Director of the National Governors Association; Assistant Superintendent of Accountability of public schools in Washington, D.C.; Co-Founder and Deputy Director of the United States Education Delivery Institute; and Portfolio Manager of the Office of Strategic Reform within the Hawaii State Department of Education. Mr. Harris is also the father of two boys and is deeply invested in improving the lives of children and families in Hawaii.

JAMES KAWIKA RILEY

Your Committee received testimony in support of the nomination of James Kawika Riley from the Department of Human Services and ten individuals.

Upon review of the testimony, your Committee finds that Mr. Riley's background, experience, and proven leadership as a father and the Chief Advocate for the Office of Hawaiian Affairs qualify him for consideration for appointment to the Commission on Fatherhood. Your Committee notes that Mr. Riley has served as the Office of Hawaiian Affairs' Washington, D.C., Bureau Chief; Spokesperson and Public Affairs Manager for the United States Department of Homeland Security, Transportation Security Administration, Office of Strategic Communications and Public Affairs; and CEO, President of the Board, and Founder of the Pacific Islander Access Project. Mr. Riley is also a father of two and has taken the initiative to research how fatherhood has changed in recent generations, including the role that today's fathers play in their children's lives, the impact on children who lack a father figure in their

life, the availability of role models for today's fathers, and the role of fatherhood in society at large, which demonstrates his passion for making a positive impact on fatherhood in Hawaii.

As affirmed by the records of votes of the members of your Committee on Human Services 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 (Ruderman, Thielen, Slom).

SCRep. 3283 Commerce, Consumer Protection, and Health on H.B. No. 1894

The purpose and intent of this measure is to clarify that under the Hawaii Post-Secondary Education Authorization Program, when an institution ceases to operate, the student transcripts shall be kept permanently in a form prescribed by the Director of Commerce and Consumer Affairs and that other records requested and obtained by the Department of Commerce and Consumer Affairs may be disposed of at the Director's discretion.

Your Committee received testimony in support of this measure from the Hawaii Post-Secondary Education Authorization Program of the Department of Commerce and Consumer Affairs.

Your Committee finds that existing law requires the Department of Commerce and Consumer Affairs to permanently retain any student transcripts received from an institution that has ceased to operate. Other records obtained from such an institution must be retained for ten years. Your Committee further finds that if a closing institution deposits its records in paper format, the Department may be constrained by space and funding limitations and may be unable to receive and retain these records. The Department recognizes the importance of retaining student transcripts and other student records, but it has concerns that an institution may indiscriminately transfer large quantities of records into the Department's possession during the closure process. Accordingly, this measure authorizes the Department to use its discretion in how student transcripts will be retained and for the Director of the Department to determine how long other student records will be retained. The discretion allowed to the Department and its Director under this measure will enable the Hawaii Post-Secondary Education Authorization Program to carry out its responsibilities more effectively.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1894, H.D. 1, 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 (Nishihara).

SCRep. 3284 Commerce, Consumer Protection, and Health on H.B. No. 2494

The purpose and intent of this measure is to permit:

- (1) The self-administration of blood glucose monitoring by a student in a Department of Education school; and
- (2) Department of Education employees and agents to volunteer to administer blood glucose monitoring or to assist a student with blood glucose monitoring.

Your Committee received testimony in support of this measure from the Department of Health; American Diabetes Association; Hawaii Nurses Association, OPEIU Local 50; and nine individuals.

Your Committee finds that blood glucose monitoring is vitally important to students with diabetes. Under certain circumstances, some students may require immediate assistance administering blood glucose tests. This measure will allow Department of Education employees to assist students with diabetes in administering such tests to help keep those students medically safe at school, while ensuring that volunteers who provide diabetes care or assistance receive instruction in blood glucose monitoring from a qualified health professional and are authorized by the Department to perform such tasks.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2494, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 3285 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. Nos. 630, 631, 632, 633, 634, 645, 646, 647, and 648

Recommending that the Senate advise and consent to the nominations of the following:

CORRECTIONAL INDUSTRIES ADVISORY COMMITTEE

G.M. No. 630 AARON KIBOTA, for a term to expire 06-30-2019;

G.M. No. 631 JAMES WATARU, for a term to expire 06-30-2019;

G.M. No. 632 JAY ISHIBASHI, for a term to expire 06-30-2019;

G.M. No. 633 JENNIFER DOTSON, for a term to expire 06-30-2019;

G.M. No. 634 LEE SHINSATO, for a term to expire 06-30-2018;

- G.M. No. 645 MARLENE KUFROVICH, for a term to expire 06-30-2016;
G.M. No. 646 MARLENE KUFROVICH, for a term to expire 06-30-2020;
G.M. No. 647 HOWARD WIIG, for a term to expire 06-30-2018; and
G.M. No. 648 JON MATSUO, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Aaron Kibota, James Wataru, Jay Ishibashi, Jennifer Dotson, Lee Shinsato, Marlene Kufrovich, Howard Wiig, and Jon Matsuo to possess the requisite qualifications to be nominated to the Correctional Industries Advisory Committee.

AARON KIBOTA

Your Committee received testimony in support of the nomination of Aaron Kibota from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Mr. Kibota's career history and commitment to public service qualify him for nomination to the Correctional Industries Advisory Committee. Your Committee notes that Mr. Kibota has fifteen years of senior financial management experience with nonprofit organizations and the private sector, which will make him a valuable asset to the Correctional Industries Advisory Committee as the Committee works toward building a self-sustaining correctional industries program.

JAMES WATARU

Your Committee received testimony in support of the nomination of James Wataru from the Department of Public Safety and Hawaii Government Employees Association.

Upon review of the testimony, your Committee finds that Mr. Wataru's experience and history of public service qualify him for nomination to the Correctional Industries Advisory Committee. Your Committee notes that Mr. Wataru has served on the Correctional Industries Advisory Committee in the past, and he is currently the State President of the United Public Workers Union, AFSCME Local 646. Mr. Wataru is also a Commissioner on the Honolulu Fire Commission and a board member of the Labor Community Services Program and Blood Bank of Hawaii. Your Committee finds that Mr. Wataru's extensive leadership experience will be a great asset to the Correctional Industries Advisory Committee.

JAY ISHIBASHI

Your Committee received testimony in support of the nomination of Jay Ishibashi from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Mr. Ishibashi's work history and experience qualify him for nomination to the Correctional Industries Advisory Committee. Your Committee notes that Mr. Ishibashi has served the public sector for over twenty-five years, including as an Employee Representative for the Hawaii Government Employees Association since 2011. Additionally, Mr. Ishibashi worked as a Special Assistant to the Mayor of the City and County of Honolulu, a Budget Analyst for the Senate Committee on Ways and Means, and a senior executive aide in the Office of the Lieutenant Governor. Your Committee further finds that Mr. Ishibashi's knowledge from his background in the areas of government, finance, and labor will be a great asset to the Correctional Industries Advisory Committee.

JENNIFER DOTSON

Your Committee received testimony in support of the nomination of Jennifer Dotson from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Ms. Dotson's extensive managerial experience and commitment to public service qualify her for nomination to the Correctional Industries Advisory Committee. Your Committee notes that Ms. Dotson has been actively engaged in helping and working with underserved populations throughout her career. She is currently the President and CEO of Network Enterprises, Inc., which offers job placement and retention services for individuals with severe disabilities. In the past, she has served as the President of the Junior League of Honolulu, Executive Director of Mothers Against Drunk Driving of Honolulu, and Health Care Services Coordinator for the Muscular Dystrophy Association of Honolulu. Additionally, Ms. Dotson has served on the board of directors of Envision Social Entrepreneurship and the Seagull Schools Early Education Center and as Chair of the Annual Language Access Conference. Your Committee further finds that Ms. Dotson's leadership skills and dedication to public service will be great assets to the Correctional Industries Advisory Committee.

LEE SHINSATO

Your Committee received testimony in support of the nomination of Lee Shinsato from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Mr. Shinsato's professional history and demonstrated managerial and training skills qualify him for nomination to the Correctional Industries Advisory Committee. Your Committee notes that Mr. Shinsato's experience as a restaurant owner, Full Service Manager at the Coca Cola Bottling Company, and Chef Instructor at Kapiolani Community College will be valuable to the Correctional Industries Advisory Committee's work to provide relevant job training and employment for inmates.

MARLENE KUFROVICH

Your Committee received testimony in support of the nomination and consideration for reappointment of Marlene Kufrovich from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Ms. Kufrovich's extensive experience in the public sector and commitment to public service qualify her for nomination and consideration for reappointment to the Correctional Industries Advisory Committee. Ms. Kufrovich worked extensively with underserved populations as an Eligibility Worker for the Department of Human Services. Your Committee notes that the Department of Public Safety has testified that Ms. Kufrovich has demonstrated a determination to find ways to help Hawaii Correctional Industries benefit offenders and the community at large. Your Committee

further finds that Ms. Kufrovich's extensive experience and commitment to public service will be great assets to the Correctional Industries Advisory Committee.

HOWARD WIIG

Your Committee received testimony in support of the nomination of Howard Wiig from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Mr. Wiig's experience in green industries and demonstrated leadership abilities qualify him for nomination to the Correctional Industries Advisory Committee. Mr. Wiig is currently the President of HCW Consulting and has been an Energy Analyst for the State since 1976. Additionally, Mr. Wiig is a member of numerous environmental and engineering organizations. Your Committee further finds that Mr. Wiig's wealth of expertise will provide considerable advice and guidance to the Correctional Industries Advisory Committee.

JON MATSUO

Your Committee received testimony in support of the nomination of Jon Matsuo from the Department of Public Safety, Department of Transportation, and one individual.

Upon review of the testimony, your Committee finds that Mr. Matsuo's knowledge and experience in executive coaching and leadership in the private and public sectors qualify him for nomination to the Correctional Industries Advisory Committee. Mr. Matsuo has taken on leadership roles at several professional consulting and coaching firms, including Jon MATSUO, LLC; which he founded and owns as Principal. Your Committee notes that Mr. Matsuo demonstrated, while working at the Department of Transportation, his ability to address challenges and issues with balance, competence, and integrity. Your Committee further finds that Mr. Matsuo's professional skills and experience will be great assets to the Correctional Industries Advisory Committee.

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, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 3286 (Majority) Ways and Means on S.C.R. No. 64

The purpose and intent of this measure is to request the Auditor to conduct a sunrise analysis of mandatory insurance coverage for the National Diabetes Prevention Program offered to patients found to have abnormal blood glucose, as set forth under H.B. No. 2220, H.D. 1, introduced during the Regular Session of 2016.

Your Committee received written comments in support of this measure from the Department of Health, Hawaii Primary Care Association, Hawaii Health Foundation, Traditional Hawaiian Healing Center, Cosmic Yoga and Ayurveda Wellness Center, and two individuals.

Your Committee finds that the National Diabetes Prevention Program was developed and evaluated by the Centers for Disease Control and Prevention, and has been proven to reduce the onset of diabetes in at-risk adults by fifty-eight per cent, using a cost-effective, community-based intervention. The program has shown that only moderate weight loss is required to achieve preventive health benefits. Accordingly, your Committee believes that a sunrise analysis is needed to determine whether mandatory coverage for the program is appropriate.

As 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. 64, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, 1 (Slom). Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 3287 Ways and Means on S.C.R. No. 31

The purpose and intent of this measure is to support the Executive Office on Aging's efforts to incorporate a No Wrong Door System approach in the Aging and Disability Resource Center network.

Your Committee received written comments in support of this measure from the Office of Veterans' Services of the Department of Defense, the Executive Office on Aging, the State Council on Developmental Disabilities, and the Disability and Communication Access Board.

Your Committee finds that in 2014, the State received a one-year federal planning grant to build upon current work to develop the Aging and Disability Resource Center. In 2015, the State received a three-year federal implementation grant to incorporate the No Wrong Door System approach into a network around the Aging and Disability Resource Center.

The No Wrong Door System is a federal initiative to support states to streamline access to long-term service and support options for all populations and payers. In a No Wrong Door System, multiple agencies coordinate with each other to integrate access of their services through a single, standardized entry process that is administered and overseen by a coordinating entity.

The three-year federal grant will be used to expand and enhance the Aging and Disability Resource Center to:

- (1) Build a network that includes state and private agencies that support all ages and populations with disabilities;
- (2) Develop curriculum and provide training for staff on person-centered counseling to meet federal guidance requirements; and
- (3) Create multiple funding sources to sustain the Aging and Disability Resource Center network.

As 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. 31, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3288 Ways and Means on S.R. No. 13

The purpose and intent of this measure is to support the Executive Office on Aging's efforts to incorporate a No Wrong Door System approach in the Aging and Disability Resource Center network.

Your Committee received written comments in support of this measure from the Office of Veterans' Services of the Department of Defense, the Executive Office on Aging, the State Council on Developmental Disabilities, and the Disability and Communication Access Board.

Your Committee finds that in 2014, the State received a one-year federal planning grant to build upon current work to develop the Aging and Disability Resource Center. In 2015, the State received a three-year federal implementation grant to incorporate the No Wrong Door System approach into a network around the Aging and Disability Resource Center.

The No Wrong Door System is a federal initiative to support states to streamline access to long-term service and support options for all populations and payers. In a No Wrong Door System, multiple agencies coordinate with each other to integrate access of their services through a single, standardized entry process that is administered and overseen by a coordinating entity.

The three-year federal grant will be used to expand and enhance the Aging and Disability Resource Center to:

- (1) Build a network that includes state and private agencies that support all ages and populations with disabilities;
- (2) Develop curriculum and provide training for staff on person-centered counseling to meet federal guidance requirements; and
- (3) Create multiple funding sources to sustain the Aging and Disability Resource Center network.

As 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. 13, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3289 Judiciary and Labor on H.B. No. 2639

The purpose and intent of this measure is to:

- (1) Require a wireless telecommunications service provider that receives an opt-out request from a victim of domestic abuse to transfer the billing authority and all rights to the shared wireless plan to the victim or remove the victim from the shared wireless plan and assign the victim a substitute telephone number, without charge, penalty, or fee;
- (2) Specify that there is no cause of action against a wireless telecommunications service provider, its officers, employees, or agents for transferring billing authority and all rights to a wireless telephone number to a domestic abuse victim; and
- (3) Expand the acts of abuse, the victims of which may be eligible for a release from shared wireless plans by changing references to "domestic violence", as defined in section 321-471, Hawaii Revised Statutes (HRS), to "domestic abuse", as defined in section 586-1, HRS.

Your Committee did not receive any written testimony relating to this measure.

Your Committee finds that victims of domestic abuse 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. Act 219, Session Laws of Hawaii 2015 (Act 219), addressed these barriers by, among other things, requiring wireless telecommunications service providers to release domestic violence victims from shared service plans upon request and with documentation. This measure expands on the requirements of Act 219 by: providing necessary liability protection for wireless telecommunications service providers who transfer the wireless telephone number of a victim of domestic abuse; providing wireless telecommunications service providers with a reasonable deadline to complete the transfer or change of service for a victim of domestic abuse; and ensuring that the transfer of billing authority or removal or release of a victim of domestic abuse from a wireless plan is done without charge, penalty, or fee.

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. 2639, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kim, Slom).

SCRep. 3290 Judiciary and Labor on H.B. No. 2329

The purpose and intent of this measure is to clarify that the State is not subject to a statute of limitations period for claims pursuant to chapter 480, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Office of Consumer Protection, Department of Commerce and Consumer Affairs; and Hawaii Association for Justice.

Your Committee finds that Hawaii common law has long recognized that statutory limitations do not apply to actions initiated by the State. The Legislature codified this longstanding common law rule in 1991. Although section 480-24(b), Hawaii Revised Statutes

(HRS), contains a tolling provision for claims brought by the State, the codification of the common law rule that the State is not subject to statutes of limitations made the pre-existing tolling language in this section superfluous. Your Committee further finds that the Legislature has made it clear that unless there is a specific designation in statute that a statute of limitations applies to actions initiated by the State, none exists. In the absence of such a designation that applies to chapter 480, HRS, the repeal of the tolling language in section 480-24(b), HRS, is appropriate and necessary.

Finally, your Committee notes that chapter 480, HRS, relating to monopolies and restraints of trade, is one of the most important statutory tools given to the State to protect the people of Hawaii. This measure preserves the right of the State to seek redress for harm done and deter future bad conduct by persons who would seek to take unfair advantage of Hawaii consumers.

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. 2329, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kim, Slom).

SCRep. 3291 Judiciary and Labor on H.B. No. 2311

The purpose and intent of this measure is to authorize the Department of Health to continue for two more years to disclose lists of names and partial social security numbers of persons whose deaths have been recorded by the Department to state agencies that maintain official lists of persons and are prohibited by federal law from sharing information from the lists.

Your Committee received testimony in support of this measure from the Department of Health and Hawaii Employer-Union Health Benefits Trust Fund. Your Committee received comments on this measure from the Grassroot Institute of Hawaii.

Your Committee finds that although the Department of Health is allowed to verify information contained in vital statistics records by employing a process that matches its vital statistics information with information provided by agencies, that process cannot be used by state agencies whose lists are confidential under federal law. The Department of Health is also prohibited from disclosing information in confidential vital statistics records, except as provided by law. Act 27, Session Laws of Hawaii 2014 (Act 27), is one such law that authorizes the Department of Health to disclose, upon request, the names of persons whose deaths have been recorded by the Department to state agencies that maintain official lists of persons and are prohibited from federal law from sharing information from the lists. However, Act 27 is scheduled to sunset on July 1, 2016.

Your Committee further finds that some governmental agencies within the State that keep official lists of persons need to know when members on their lists have died. This notification of death is important in maintaining the integrity of certain programs, such as Medicaid, by stopping unnecessary payments to contracted managed care health plans on behalf of deceased individuals. By allowing the Department of Health to continue to report deaths to state agencies that maintain official lists that are confidential under federal law, this measure assists state agencies to maximize the accuracy of their official lists and avoid overpaying benefits and wasting public funds.

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. 2311, 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, Kim, Slom).

SCRep. 3292 Judiciary and Labor on H.B. No. 2084

The purpose and intent of this measure is to prohibit all insurers in the State, including health insurers, mutual benefit societies, health maintenance organizations, and health benefits plans under chapter 87A, Hawaii Revised Statutes, from discriminating with respect to participation and coverage under a policy, contract, plan, or agreement against any person on the basis of a person's actual gender identity or perceived gender identity.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission, American Civil Liberties Union of Hawai'i, Equality Hawai'i, Hawaii Medical Service Association, Human Rights Campaign, LGBT Caucus of the Democratic Party of Hawai'i, and nine individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that many health insurance plans and policies include some form of transgender-specific exclusions. As a result, transgender individuals may be excluded from health care coverage based on actual gender identity or perceived gender identity, rather than because of lack of medical necessity of treatment. While discriminatory exclusions in health insurance policies can impact transition-related services, these exclusions may also prevent transgender individuals from obtaining common wellness care treatment. Discrimination against the transgender community can have profound effects on the health care system as a whole, including increased emergency room visits, hospital admissions, and long term care needs that result from delayed or denied treatment for transgender individuals.

Your Committee further finds that ten jurisdictions, including the District of Columbia, have laws and policies protecting against discriminatory exclusions and denials of treatment based on gender identity, in at least some circumstances. The federal government is also currently acting to address the issue of discriminatory exclusions in health insurance plans. Implementation of this measure will enable Hawaii to follow this national trend by prohibiting discrimination in health care coverage, services, and treatment on the basis of actual gender identity or perceived gender identity.

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. 2084, H.D. 2, 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, Kim, Slom).

SCRep. 3293 Judiciary and Labor on H.B. No. 901

The purpose and intent of this measure is to authorize law enforcement vehicles of the Harbors Division of the Department of Transportation that are equipped with lights and sirens to be authorized emergency vehicles.

Your Committee received testimony in support of this measure from the Department of the Attorney General and Department of Transportation.

Your Committee finds that enforcement officers of the Harbors Division of the Department of Transportation are conferred the powers of police officers and are tasked with enforcing the laws and regulations for harbors in the State. Despite this law enforcement responsibility and authority, Harbors officers do not have the official and explicit authority to use law enforcement vehicles with emergency response lights. This measure would explicitly allow the use of emergency response lights on approved law enforcement vehicles to assist Harbors officers in enforcing the laws of the State.

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. 901, 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 (Kahele).

SCRep. 3294 Commerce, Consumer Protection, and Health on H.B. No. 2543

The purpose and intent of this measure is to make permanent the provisions of Act 151, Session Laws of Hawaii 2011, and Act 264, Session Laws of Hawaii 2013, that establish deadlines for certain actions of the State and the counties relating to broadband-related permits and facilities, and subject weight load for utility poles to certain established capacities and established exemptions from certain state and county requirements for actions relating to the installation, improvement, construction, or development of infrastructure relating to broadband service or broadband technology.

Your Committee received testimony 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; Chamber of Commerce Hawaii; Hawaiian Electric Companies; Hawaiian Telcom; and Oceanic Time Warner Cable.

Your Committee finds that streamlining broadband permits can facilitate statewide access to affordable, high-speed broadband services. Improvements in the permitting process will allow for more private sector participants, which can lead to increased competition in the State's broadband sector. Your Committee further finds that increasing Hawaii's broadband capacity will have numerous benefits across the State, such as: enabling rapid access to information; accelerating business development; creating telehealth opportunities for the health care industry; enhancing education resources; and improving communications networks. Accordingly, this measure makes permanent laws that will enable greater efficiency in the broadband-related permitting process.

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

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2543, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2543, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7; Ayes with Reservations (Ihara). Noes, none. Excused, none.

SCRep. 3295 Judiciary and Labor on H.B. No. 32

The purpose and intent of this measure is to clarify when a pedestrian may enter a crosswalk equipped with a countdown timer.

Your Committee received testimony in support of this measure from the Department of Transportation and Department of Transportation Services, City and County of Honolulu.

Your Committee finds that section 291C-33, Hawaii Revised Statutes, relating to pedestrian-control signals, was last amended in 1981. This measure updates this law to include countdown timers and to clarify when a pedestrian is allowed to cross when the countdown timer is operating.

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. 32, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 32, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3296 Judiciary and Labor on H.B. No. 1011

The purpose and intent of this measure is to define dangerous wheels and prohibit their use on vehicles, trailers, and semi-trailers.

Your Committee received testimony in support of this measure from the Department of Transportation and one individual.

Your Committee finds that more motor vehicles operating on Hawaii's roadways are reportedly using wheels with a propensity to cause severe injury and property damage. Existing law does not address the inherent dangers associated with the use of dangerous wheels on motor vehicles; this measure seeks to address the issue to improve public safety on Hawaii's highways.

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. 1011, 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. 1011, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3297 Ways and Means on H.B. No. 2317

The purpose and intent of this measure is to appropriate funds for fiscal year 2016-2017 to be deposited into the emergency and budget reserve fund.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee believes that the State should take action to ensure the State's fiscal reserves are sufficient. Your Committee therefore finds that an appropriation to the emergency and budget reserve fund, as proposed by this measure, is fiscally prudent.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 2317, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2317, 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, 8. Noes, none. Excused, 3 (English, Galuteria, Slom).

SCRep. 3298 Ways and Means on H.B. No. 1702

The purpose and intent of this measure is to amend the household and dependent care services income tax credit for certain resident taxpayers by changing the basis for the applicable percentage of the credit.

Your Committee received testimony in support of this measure from Catholic Charities Hawaii, Hawaii Appleseed Center for Law & Economic Justice, and PHOCUSED.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that this measure provides a means to increase the income tax credit for expenses for household and dependent care services necessary for gainful employment.

Your Committee has amended this measure by reinserting the applicable percentages for determining the tax credit from the original draft of the measure. These amendments would provide a tax credit ranging from fifteen to twenty-five per cent of the employment-related expenses paid by a qualifying resident taxpayer.

As affirmed by the record of votes of the members 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. 1702, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1702, 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, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3299 Commerce, Consumer Protection, and Health on H.B. No. 1672

The purpose and intent of this measure is to authorize a beneficiary of a prescription drug benefit plan to obtain a prescription without penalty from a non-network retail community pharmacy located within fourteen miles of the beneficiary's residence, if the nearest network retail community pharmacy is located fourteen or more miles away.

Your Committee received testimony in support of this measure from The Queen's Health Systems and one individual. Your Committee received testimony in opposition to this measure from the Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, Hawaii Medical Service Association, Express Scripts, Hawai'i Association of Health Plans, 'Ohana Health Plan, CVS Health, and Kaiser Permanente Hawaii. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs and Walgreen Company.

Your Committee finds that consumers in rural areas may have limited access to network pharmacies. This measure is intended to provide greater access to pharmaceutical care for beneficiaries who lack sufficient access to a network pharmacy by permitting these beneficiaries to obtain a prescription without penalty from a non-network retail community pharmacy within fourteen miles of the beneficiary's residence, if the nearest network pharmacy is located fourteen or more miles away.

Your Committee notes that the companion to this measure, S.B. No. 2376, S.D. 1 (Regular Session of 2016), which was previously passed by the Senate, is a substantially similar measure that also provides greater access to pharmaceutical care for beneficiaries who

lack sufficient access to a network pharmacy. Your Committee concludes that the language in S.B. No. 2376, S.D. 1, is preferable because it permits beneficiaries to obtain a prescription without penalty from a non-network retail community pharmacy within ten miles of the beneficiary's residence, if the nearest network pharmacy is located ten or more miles away.

Your Committee further finds that smaller retail community pharmacies have continued to struggle with reimbursement rates, which affects these pharmacies' ability to remain in business. Although your Committee notes that legislation passed during the Regular Session of 2015 established guidelines for the reimbursement of prescription medication on a maximum allowable cost basis, your Committee finds that the law has not adequately addressed this reimbursement issue. Your Committee concludes that the language in S.B. No. 2376, S.D. 1, is therefore preferable because it requires a dispensing fee to be paid to certain non-network retail community pharmacies.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2376, S.D. 1, a substantially similar measure, which:

- (1) Authorizes a beneficiary of a prescription drug benefit plan to obtain a prescription without penalty from a non-network retail community pharmacy located within ten miles of the beneficiary's residence, if the nearest network retail community pharmacy is located ten or more miles away;
- (2) Requires reimbursement to non-network retail community pharmacist to include a \$15 dispensing fee plus the product cost at the higher rate of reimbursement; and
- (3) Includes an effective date of July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1672, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1672, 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, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3300 Commerce, Consumer Protection, and Health on H.B. No. 2169

The purpose and intent of this measure is to authorize the adoption of rules to clarify the supervision requirements for licensure of clinical social workers, including the criteria for supervision by videoconferencing or other electronic means.

Your Committee received testimony in support of this measure from the National Association of Social Workers, Hawaii Chapter; and five individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that social workers in Hawaii who are working to complete their licensed clinical social worker requirements must complete three thousand hours of supervised work experience, one hundred hours of which must be by direct face-to-face supervision. Your Committee further finds that certain social workers, particularly those living on the neighbor islands or in rural areas, and those employed by the United States Department of Veterans Affairs, may experience difficulty meeting the direct face-to-face supervision requirement. This is especially true for social workers in rural areas, as there are a limited number of rural social workers who are qualified to provide supervision for applicants for licensure as clinical social workers.

According to the Department of Commerce and Consumer Affairs, statutorily amending the supervision requirements for licensed clinical social workers to permit supervision via a video conference service will provide clinical social workers with additional flexibility when meeting supervision requirements, while also ensuring the integrity of supervised experience for all licensed clinical social workers seeking licensure in other jurisdictions. Your Committee notes that the Department has been working on language to provide this additional pathway for supervision and has discussed its proposed language with interested stakeholders, who have indicated their support. Amendments to this measure, which incorporate language suggested by the Department of Commerce and Consumer Affairs, are therefore necessary.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that, of the minimum of one hundred hours of supervision required for licensure as a clinical social worker:
 - (A) At least sixty of the one hundred hours of direct face-to-face supervision shall have been individualized supervision; and
 - (B) Not more than forty hours of direct face-to-face supervision may have been under small group supervision;
- (2) Clarifying the evidence of certification that will satisfy the work experience under supervision requirements;
- (3) Clarifying the supervision required for licensure as a clinical social worker, including that the supervision shall have included review of assessment, clinical diagnosis, and psychotherapy;
- (4) Specifying that supervision conducted electronically shall be selected in collaboration with the supervisor and conducted through a video conference service that is compliant with all federal and state privacy, security, and confidentiality laws, including the Health Insurance Portability and Accountability Act of 1996;
- (5) Specifying that an applicant is responsible for determining the impact of electronic supervision on the applicant's eligibility for licensure by endorsement in other states;
- (6) Deleting language that would have authorized the adoption of rules to clarify the supervision requirements for licensure of clinical social workers, including the criteria for supervision by videoconferencing or other electronic means;
- (7) Amending its effective date to upon its approval; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2169, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2169, 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, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3301 Commerce, Consumer Protection, and Health on H.B. No. 2482

The purpose and intent of this measure is to require managed care plans to provide claims data annually at no charge to a large group purchaser if the large group purchaser requests the information and meets certain requirements.

Your Committee received testimony in opposition to this measure from Hawaii Medical Service Association and Hawai'i Association of Health Plans. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure is intended to promote transparency as it applies to claims data. Your Committee has heard the concerns raised in testimony, including the questions regarding the procurement and funding process for the Insurance Commissioner to determine the statistician who will determine which claims data received from managed care plans has been de-identified in order to provide the data to large group purchasers, as proposed by this measure.

Your Committee understands these concerns and notes that S.B. No. 2389, S.D. 1 (Regular Session of 2016), which was previously passed by the Senate, also relates to health care claims payment data and analytics for purposes of transparency. Your Committee finds that the language in S.B. No. 2389, S.D. 1, is preferable because it broadens the scope of health care services claims and payment information that is required to be reported to the State Health Planning and Development Agency, the state agency tasked with promoting accessibility to quality health care services for all people of the State at a reasonable cost, which will support collection analysis, dissemination of medical treatment claims and payment information, transparency in the health care sector, and public policy decision making. The language in S.B. No. 2389, S.D. 1, is also preferable because it provides access to health care claims payment data and analytics to consumers of health care and state decision makers who regulate health care and insurance.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2389, S.D. 1, a measure that:

- (1) Requires providers of health care and all payers of claims for payment for health care services delivered to any person, including providers of public and private health insurance, to submit to the State Health Planning and Development Agency data and other information related to health and health care, consistent with all federal and state data use and disclosure, privacy, security, and confidentiality laws;
- (2) Specifies that information deemed necessary to be submitted to the State Health Planning and Development Agency includes health care services claims and payment data, including information about the nature of reimbursement and any fees, discounts, incentives, or performance payments affecting the rate of reimbursement;
- (3) Specifies that the State Health Planning and Development Agency shall not disclose any individual patient's personal health information in violation of state or federal law;
- (4) Requires the State Health Planning and Development Agency to submit acquired data to a University of Hawaii data center;
- (5) Requires an entity accepting health care services claims and payment data to enter into a negotiated data sharing agreement with any payer or insurer before data is submitted; and
- (6) Inserts an effective date of July 1, 2050.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2482, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2482, 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, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3302 Judiciary and Labor on H.B. No. 2082

The purpose and intent of this measure is to allow adopted individuals who have attained eighteen years of age, adoptive parents, and natural parents unfettered access to the adopted individual's adoption records.

Your Committee received testimony in support of this measure from the Adoption Circle of Hawai'i, Bastard Nation: The Adoptee Rights Organization, National Center on Adoption and Permanency, and thirty individuals.

Your Committee finds that states began sealing adoption records in the middle of the twentieth century to protect adopted children from the stigma of illegitimacy. However, current research has illustrated that the secrecy surrounding an adoption has significant negative psychological consequences on an adoptee. Furthermore, cultural changes have largely diminished the stigma surrounding adoption, and recent genetics research has highlighted the importance of genetic history to an individual's medical care. Hawaii's adoption records law continues to condition access to records on birthparent approval, which is a major hurdle for adoptees to overcome. This measure eases the restrictions on access to sealed court adoption records in the interest of transparency and access to family medical history and ethnic background.

Your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2153, S.D. 1 (Regular Session of 2016), a substantially similar measure that incorporates 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. 2082, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2082, 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 (Kahele).

SCRep. 3303 Judiciary and Labor on H.B. No. 2284

The purpose and intent of this measure is to:

- (1) Require the courts to forward information relating to adult guardianships to the Hawaii Criminal Justice Data Center, which in turn shall forward the information to the Federal Bureau of Investigation for inclusion in the National Instant Criminal Background Check System database for gun control purposes; and
- (2) Require the Hawaii Criminal Justice Data Center to maintain the adult guardianship orders of appointment or information for disclosure to and use by law enforcement officials for firearm permitting or registration purposes.

Your Committee received testimony in support of this measure from the Department of the Attorney General.

Your Committee finds that the National Instant Criminal Background Check System (NICS) is a federal database to which states are asked to contribute data, in order to identify those who are federally prohibited from possessing a firearm. The NICS Improvement Act of 2007 prohibits a person who has been adjudicated as a mental defective or has been committed to any mental institution from possessing firearms or ammunition. This prohibited category includes a person who is placed in a legal guardianship status as an adult due to mental incapacitation. This measure will allow the State to comply with the NICS Improvement Act of 2007 for gun control purposes.

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. 2284, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2284, 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 (Kahele).

SCRep. 3304 Judiciary and Labor on H.B. No. 1739

The purpose and intent of this measure is to:

- (1) Prohibit employers from requiring, requesting, or coercing employees or potential employees to provide access to account usernames, passwords, or any other information for personal social media accounts, except where the information is publicly available, required to comply with applicable laws or rules, necessary to access an employer-issued electronic device or an account or service provided by or through the employee's employment relationship with the employer, or necessary for investigations of employee misconduct or employee violation of applicable laws and regulations;
- (2) Limit the liability of employers who inadvertently receive the username, password, or any other information that would enable the employer to gain access to the employee or potential employee's personal account through the use of a lawful network monitoring tool or firewall that monitors the employer's network or employer-provided devices for network security or data confidentiality, except in certain situations; and
- (3) Prohibit employers from refusing to hire or employ, bar or discharge from employment, or otherwise to discriminate against any individual in compensation or in the terms, conditions, or privileges of employment of any individual because of the individual's refusal to disclose any information regarding a personal account.

Your Committee received testimony in support of this measure from the Hawai'i Civil Rights Commission; State Privacy and Security Coalition, Inc.; LGBT Caucus of the Democratic Party of Hawai'i; High Technology Development Corporation; Facebook; American Civil Liberties Union of Hawai'i; ILWU Local 142; and four 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 Society for Human Resource Management, Hawaii Chapter; and Chamber of Commerce Hawaii.

Your Committee finds that with the prevalence of social media accounts, there is a need for privacy guidelines pertaining to employees and employers. A growing number of employers are asking potential employees and existing employees for passwords or information pertaining to social media accounts. Implementation of this measure will balance employee privacy and the protection of employers' networks, systems, and proprietary information.

Your Committee has amended this measure by:

- (1) Clarifying that an employer may request, but not coerce or compel, an employee or potential employee to add anyone, including the employer, to a list of contacts associated with a personal account;
- (2) Clarifying that an employer may require an employee to disclose authentication information similar to a username or password, in addition to a username or password, for the purpose of accessing an employer-issued electronic device or an account or service provided by or through the employee's employment relationship with the employer;

- (3) Clarifying that an employer may request that an employee share specific content regarding a personal account to ensure compliance with applicable laws, regulatory requirements, or prohibitions against work-related employee misconduct, rather than for investigations of employee misconduct or violations;
- (4) Requiring employers to delete a username, password, or any other information that is inadvertently received as soon as reasonably practicable after becoming aware that the information was received, and make reasonable efforts to ensure the security and deletion of other information that may be similarly inadvertently received in the future;
- (5) Establishing a fine of not less than \$25 and not more than \$100, to be collected by the Director of Labor and Industrial Relations for a violation by an employer;
- (6) Deleting language prohibiting employers from discriminating against any individual because of the individual's refusal to disclose any information regarding a personal account; 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 H.B. No. 1739, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1739, 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, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3305 Judiciary and Labor on H.B. No. 1517

The purpose and intent of this measure is to provide that the commission of certain offenses of assault in the presence of the victim's minor child is an aggravating factor that the court is required to consider, along with other factors under section 706-606, Hawaii Revised Statutes, in the sentencing of the defendant convicted of the offense.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; and two individuals.

Your Committee finds that research has shown that children who witness assault or domestic violence can suffer severe emotional and developmental difficulties that are similar to those of children who are victims of direct physical and mental abuse. By creating an aggravating factor for the court to consider when sentencing a defendant convicted of certain assault offenses committed in the presence of the victim's child, this measure recognizes the impact that witnessing an assault has on a child.

Your Committee notes the testimony submitted by the Department of the Prosecuting Attorney of the City and County of Honolulu that this measure is substantially similar to section 706-606.4, Hawaii Revised Statutes (HRS), relating to the sentencing of offenses involving abuse of family or household member committed in the presence of a minor. The Department raised concerns that duplicative sentencing statutes may cause unnecessary confusion.

Accordingly, your Committee has amended this measure by adopting the suggestion made by the Department of the Prosecuting Attorney of the City and County of Honolulu to delete its contents and insert the contents of S.B. No. 2247, S.D. 1 (Regular Session of 2016), a substantially similar measure, that:

- (1) Broadens section 706-606.4, HRS, to make the commission of certain offenses of assault, sexual assault, and abuse of a family or household member in the presence of a minor an aggravating factor to be considered in the sentencing of the defendant convicted of the offense; and
- (2) Has 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. 1517, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1517, 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 (Kahele).

SCRep. 3306 Judiciary and Labor on H.B. No. 1474

The purpose and intent of this measure is to establish the designation of kiwila pono for employers who permit employees to be absent with pay on election day to work at a polling place and for employees who participate as election day workers.

Your Committee received testimony in support of this measure from the Office of Elections.

Your Committee finds that the Office of Elections and the county clerks recruit over 4,600 volunteers for each election to service over 230 polling places, four counting and control centers, and over 100 delivery and collection teams. These volunteers provide vital and indispensable assistance. This measure provides an additional incentive for private employers and their employees to support elections.

Your Committee has amended this measure by:

- (1) Clarifying that eligibility for kiwila pono designation is based upon employees' service as election day officials, rather than service or employment on election day at a polling place; and
- (2) Changing the effective date to 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. 1474, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1474, 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, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3307 (Majority) Judiciary and Labor on H.B. No. 1055

The purpose and intent of this measure is to conform the voter registration statutes to the requirements of the federal Help America Vote Act of 2002 (HAVA) by:

- (1) Requiring on an application to register to vote, a Hawaii driver's license number or a Hawaii state identification card number or, if no license or identification card has been issued, the last four digits of the applicant's social security number; and
- (2) If the applicant does not have a social security number, requiring the State to assign the applicant a unique number for voter registration purposes.

Your Committee received testimony in support of this measure from Common Cause Hawaii. Your Committee received comments on this measure from the Office of Elections and Office of the City Clerk, City and County of Honolulu.

Your Committee finds that section 303 of HAVA requires applicants for voter registration for federal office elections to provide a driver's license number, if one has been issued, or if none has been issued, the last four digits of the applicant's social security number. Section 303 also includes a special rule for applicants without a driver's license or social security number, which requires the State to assign the applicant a number that will serve to identify the applicant for voter registration purposes. This measure conforms state election laws for voter registration to the same requirements of the federal election law.

Your Committee notes that this measure requires the State to assign the applicant a unique number for voter registration purposes if the applicant does not have a social security number; however, it is unclear whether an election official or county clerk would be authorized to assign a unique voter registration number under the new statewide voter registration system that is scheduled to be ready for use for the 2018 election.

Accordingly, your Committee has amended this measure by:

- (1) Deleting references to the State as the entity required to assign a unique number for voter registration and requiring an election official or county clerk to assign the number;
- (2) Changing the effective date from upon its approval to January 1, 2018, to align with the scheduled implementation of the new statewide voter registration system; 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. 1055, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1055, 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, 6. Noes, 1 (Sлом). Excused, none.

SCRep. 3308 Judiciary and Labor on H.B. No. 27

The purpose and intent of this measure is to repeal the prohibition against willfully exhibiting one's own ballot or unvoted ballots in a special primary or primary election.

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 the prevalence of electronic mobile devices and social media applications and platforms increases the opportunities for people to display their ballots via social media, which are commonly known as "ballot selfies". This measure clarifies that voters may exhibit their own ballots, which includes the dissemination of ballot images electronically or digitally.

Your Committee notes the comments from the Office of Elections that it may not be appropriate to amend section 11-137, Hawaii Revised Statutes (HRS), because this section relates to the operation of a polling place. This measure would exempt a voter from the prohibitions against willfully exhibiting the voter's own ballot in the polling place and leaving the polling place with the voter's own ballot before casting the ballot. The Office of Elections testified that these prohibitions are meant to prevent voters from declaring at the polling place how they voted and to prevent the encouragement of others in the polling place to vote in the same way.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2242, S.D. 1 (Regular Session of 2016), a substantially similar measure that adopts the language suggested by the Office of Elections, which adds a new section to chapter 11, HRS, to:

- (1) Allow a voter to distribute or share an electronic or digital image of the voter's own marked ballot via social media or other means; and
- (2) Establish that distributing or sharing the image of a voter's own marked ballot is not a defense for any election offense.

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. 27, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 27, 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 (Kahele).

SCRep. 3309 Judiciary and Labor on H.B. No. 1044

The purpose and intent of this measure is to amend the offense of sexual assault in the fourth degree to include a person who knowingly engages in or causes sexual contact or sexual penetration with a person who is at least sixteen years old but less than eighteen years old and the person holds a position of trust, power, authority, or supervision over that minor, with certain exceptions.

Your Committee received testimony in support of this measure from the Police Department, City and County of Honolulu; 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 the Department of the Prosecuting Attorney, City and County of Honolulu.

Your Committee finds that this measure is aimed at persons, such as teachers or employers, who abuse their position of trust, power, authority, or supervision to engage in sexual contact with a teenager who is sixteen or seventeen years old. However, the Department of the Prosecuting Attorney of the City and County of Honolulu and Office of the Public Defender raised concerns in written testimony that the phrase "position of trust, power, authority, or supervision" is vague and could apply to a number of relationships that the law might not intend to criminalize.

Your Committee notes the concerns raised by the Department of the Prosecuting Attorney of the City and County of Honolulu that including sexual penetration under the offense of sexual assault in the fourth degree is inappropriate as this offense encompasses sexual contact only.

Accordingly, your Committee has amended this measure by:

- (1) Replacing language referring to a position of trust, power, authority, or supervision with language that specifies that a person is contemporaneously acting in a professional capacity to instruct, advise, or supervise the minor;
- (2) Adopting the language suggested by the Department of the Prosecuting Attorney of the City and County of Honolulu that:
 - (A) Removes references to sexual penetration from the offense of sexual assault in the fourth degree; and
 - (B) Amends the offense of sexual assault in the second degree to include a person who knowingly subjects to sexual penetration a minor at least sixteen years of age and the person is contemporaneously acting in a professional capacity to instruct, advise, or supervise the minor, with certain exceptions;
- (3) Changing the effective date from upon its approval to 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. 1044, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1044, 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. 3310 Ways and Means on S.C.R. No. 32

The purpose and intent of this measure is to request that the Governor take all necessary action to rename and designate the section of Kapule Highway from Rice Street to Ahukini Road in the County of Kauai as the Kauai Veterans Memorial Highway.

Your Committee received written comments in support of this measure from the Department of Defense, Office of Veterans' Services.

Your Committee recognizes that American military veterans have protected and sustained liberty, freedom, and the American way of life for every citizen since the founding of this nation. Your Committee believes that the dedication and sacrifice of the men and women of the United States Armed Forces who have courageously served this country must be honored and not forgotten. Your Committee also believes that renaming a section of Kapule Highway as the Kauai Veterans Memorial Highway could serve as a tangible, permanent, and constant reminder of the sacrifice, dedication, and service of all veterans of the United States Armed Forces.

As 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. 32 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3311 Ways and Means on S.R. No. 14

The purpose and intent of this measure is to request that the Governor take all necessary action to rename and designate the section of Kapule Highway from Rice Street to Ahukini Road in the County of Kauai as the Kauai Veterans Memorial Highway.

Your Committee received written comments in support of this measure from the Department of Defense, Office of Veterans' Services.

Your Committee recognizes that American military veterans have protected and sustained liberty, freedom, and the American way of life for every citizen since the founding of this nation. Your Committee believes that the dedication and sacrifice of the men and women of the United States Armed Forces who have courageously served this country must be honored and not forgotten. Your Committee also believes that renaming a section of Kapule Highway as the Kauai Veterans Memorial Highway could serve as a tangible, permanent, and constant reminder of the sacrifice, dedication, and service of all veterans of the United States Armed Forces.

As 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. 14 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3312 Ways and Means on S.C.R. No. 33

The purpose and intent of this measure is to request Hawaii's congressional delegation to assist the State in negotiating with the federal government for the acquisition of the Federal Detention Center, Honolulu.

Your Committee received written comments in opposition to this measure from Hoomana Pono, LLC.

Your Committee recognizes that Hawaii has overcrowded state jails and prisons, and that for many years, the State has attempted to find additional capacity. Your Committee finds that the Federal Detention Center, Honolulu, houses federal and state pre-trial detainees, and sentenced felons who have almost completed their prison terms. Your Committee also finds that the detention center operates far below its total capacity of one thousand two hundred beds.

Your Committee believes that if the State were to acquire the Federal Detention Center, Honolulu, the acquisition may both relieve overcrowding at state facilities and accommodate the return of state inmates who are currently serving terms at out-of-state facilities. Your Committee also believes that the acquisition of the detention center may be less costly than the construction of a new state facility. Assistance from Hawaii's congressional delegation in acquiring the Federal Detention Center, Honolulu, could help the State realize these benefits.

As 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. 33 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3313 Ways and Means on S.R. No. 15

The purpose and intent of this measure is to request Hawaii's congressional delegation to assist the State in negotiating with the federal government for the acquisition of the Federal Detention Center, Honolulu.

Your Committee received written comments in opposition to this measure from Hoomana Pono, LLC.

Your Committee recognizes that Hawaii has overcrowded state jails and prisons, and that for many years, the State has attempted to find additional capacity. Your Committee finds that the Federal Detention Center, Honolulu, houses federal and state pre-trial detainees, and sentenced felons who have almost completed their prison terms. Your Committee also finds that the detention center operates far below its total capacity of one thousand two hundred beds.

Your Committee believes that if the State were to acquire the Federal Detention Center, Honolulu, the acquisition may both relieve overcrowding at state facilities and accommodate the return of state inmates who are currently serving terms at out-of-state facilities. Your Committee also believes that the acquisition of the detention center may be less costly than the construction of a new state facility. Assistance from Hawaii's congressional delegation in acquiring the Federal Detention Center, Honolulu, could help the State realize these benefits.

As 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. 15 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3314 Ways and Means on S.C.R. No. 41

The purpose and intent of this measure is to urge the Department of Transportation and the Department of Parks and Recreation of the City and County of Honolulu to landscape Hawaii's public highways and roads by planting more trees.

Your Committee received written comments in support of this measure from one individual.

Your Committee finds that trees benefit human health and the environment. Trees supply oxygen, help stabilize the soil, lower air temperatures, and assist in reducing noise pollution. Additionally, trees and nature are a significant component of the lush green-image of Hawaii that many tourists expect to experience upon visiting the State. Many areas along public highways and roads could be landscaped to include more trees. Your Committee believes that Hawaii's health, environment, and tourism could benefit from the planting of additional trees along public highways and roads.

As 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. 41, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 3315 Ways and Means on S.R. No. 19

The purpose and intent of this measure is to urge the Department of Transportation and the Department of Parks and Recreation of the City and County of Honolulu to landscape Hawaii's public highways and roads by planting more trees.

Your Committee received written comments in support of this measure from one individual.

Your Committee finds that trees benefit human health and the environment. Trees supply oxygen, help stabilize the soil, lower air temperatures, and assist in reducing noise pollution. Additionally, trees and nature are a significant component of the lush green-image of Hawaii that many tourists expect to experience upon visiting the State. Many areas along public highways and roads could be landscaped to include more trees. Your Committee believes that Hawaii's health, environment, and tourism could benefit from the planting of additional trees along public highways and roads.

As 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. 19, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 3316 (Majority) Ways and Means on S.C.R. No. 34

The purpose and intent of this measure is to urge the United States Congress to enact federal legislation or propose a constitutional amendment granting budget autonomy, legislative autonomy, and statehood to the District of Columbia.

Your Committee received written comments in support of this measure from one individual.

Your Committee finds that the residents of the District of Columbia pay federal taxes, serve on federal juries, and are members of the United States Armed Forces. Despite the various ways residents contribute to our nation, the District of Columbia does not share all the privileges enjoyed by the fifty states. Unlike the states, the District of Columbia's budget is subject to approval and interference from Congress, and the District of Columbia does not have voting rights in Congress. Your Committee believes that the residents of the District of Columbia should be granted the same rights and privileges enjoyed by residents of states.

As 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. 34 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, 1 (Slom). Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3317 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. Nos. 601, 602, and 629

Recommending that the Senate advise and consent to the nominations of the following:

REENTRY COMMISSION

G.M. No. 601 BLAYNE HANAGAMI, for a term to expire 12-01-2019;

G.M. No. 602 TONI BISSEN, for a term to expire 12-01-2019; and

G.M. No. 629 KIMBERLY TAKATA, for a term to expire 12-01-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Blayne Hanagami, Toni Bissen, and Kimberly Takata to possess the requisite qualifications to be nominated to the Reentry Commission.

BLAYNE HANAGAMI

Your Committee received testimony in support of the nomination of Blayne Hanagami from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Mr. Hanagami's experience and proven commitment to public service qualify him for nomination to the Reentry Commission. Mr. Hanagami has worked for nearly forty years as a workforce development specialist and branch manager at the Workforce Development Division office in Hilo, during which time he has repeatedly demonstrated his guidance and leadership skills. Your Committee notes that Mr. Hanagami has an extensive history of working with economically disadvantaged populations, including ex-offenders and those currently incarcerated. Your Committee further finds that Mr. Hanagami's experience, managerial and leadership skills, and dedication to public service will be great assets to the Reentry Commission.

TONI BISSEN

Your Committee received testimony in support of the nomination of Toni Bissen from the Department of Public Safety, Hawaii State Commission on the Status of Women, and Office of Hawaiian Affairs.

Upon review of the testimony, your Committee finds that Ms. Bissen's experience and expertise at implementing rehabilitation and reentry programs qualify her for nomination to the Reentry Commission. Ms. Bissen is currently the executive director of the Pū'ā Foundation, which has pioneered efforts to implement methodologies of trauma-informed care in Hawaii's criminal justice system. Your Committee notes that Ms. Bissen has dedicated much of her career to helping criminal offenders, especially Native Hawaiian women, heal the societal, communal, and intrapersonal trauma that causes, and is caused by, offense and incarceration. Your Committee further finds that Ms. Bissen's extensive experience working in the areas of reentry and transition from incarceration will be a great asset to the Reentry Commission.

KIMBERLY TAKATA

Your Committee received testimony in support of the nomination of Kimberly Takata from the Department of Public Safety.

Upon review of the testimony, your Committee finds that Ms. Takata's experiences as a former inmate who has made a successful transition out of incarceration, her leadership skills, and her commitment to reducing recidivism qualify her for nomination to the Reentry Commission. Ms. Takata has direct experience with the juvenile and adult criminal justice systems, and following her incarceration, she has been heavily involved with organizations dedicated to reducing the risk of young people entering incarceration and helping incarcerated persons transition back into society. Your Committee notes that Ms. Takata has a unique perspective on what

is required for a successful transition from incarceration and reentry into society. Your Committee further finds that Ms. Takata's experiences, unique perspective, and skills will be great assets to the Reentry 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, 3. Noes, none. Excused, 2 (Baker, Inouye).

SCRep. 3318 Human Services on Gov. Msg. Nos. 612 and 613

Recommending that the Senate advise and consent to the nominations of the following:

STATE REHABILITATION COUNCIL

GM. No. 612 MICHAEL MOORE, for a term to expire 06-30-2016; and

GM. No. 613 MICHAEL MOORE, for a term to expire 06-30-2020 (term amended to 6-30-2019 by GM650)

Your Committee received testimony in support of the nomination of Michael Moore from the Department of Human Services.

Upon review of Michael Moore's resume, statement, and the testimony in support of his nomination for appointment and reappointment, your Committee finds that Michael Moore's professional experience, background, and commitment to public service, which he has developed as the Executive Director of Learning Disabilities Association of Hawaii, which is a training and information center for parents of youth with disabilities, and as a practicing counselor for more than two decades, qualify him for appointment and reappointment to the State Rehabilitation Council. Your Committee further finds that Michael Moore has been nominated for appointment and reappointment to the State Rehabilitation Council, as a representative of a parent training and information center, based on his knowledge, experience, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Human Services 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.
For Gov. Msg. No. 612: Ayes, 4. Noes, none. Excused, 3 (Green, Ruderman, Slom).

For Gov. Msg. No. 613: Ayes, 5. Noes, none. Excused, 2 (Harimoto, Ruderman).

SCRep. 3319 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 160

The purpose and intent of this measure is to request the Secretary of Transportation to establish minimum dimensions for passenger seats on aircraft operated by any air carrier in the provision of interstate air transportation or intrastate air transportation.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that the federal government does not impose a minimum passenger seat size and the airline industry opposes any seat standard. Your Committees further find that the average legroom for airline passenger seats has shrunk from about thirty-five inches in the 1970s to nearly thirty-one inches today, with seat width narrowing from eighteen and one-half inches in the 1990s to about seventeen inches today. The decrease in the size of airline passenger seats, coupled with the growing problem of obesity in America, may pose threats to the safety and health of passengers during situations such as an emergency evacuation.

Your Committees additionally find that wider seat dimensions for commercial flights promote not only safety and health but comfort as well.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 160 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.
Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 3320 (Joint) Transportation and Energy and Public Safety, Intergovernmental, and Military Affairs on S.R. No. 121

The purpose and intent of this measure is to request the Secretary of Transportation to establish minimum dimensions for passenger seats on aircraft operated by any air carrier in the provision of interstate air transportation or intrastate air transportation.

Your Committees received testimony in support of this measure from one individual.

Your Committees find that the federal government does not impose a minimum passenger seat size and the airline industry opposes any seat standard. Your Committees further find that the average legroom for airline passenger seats has shrunk from about thirty-five inches in the 1970s to nearly thirty-one inches today, with seat width narrowing from eighteen and one-half inches in the 1990s to about seventeen inches today. The decrease in the size of airline passenger seats, coupled with the growing problem of obesity in America, may pose threats to the safety and health of passengers during situations such as an emergency evacuation.

Your Committees additionally find that wider seat dimensions for commercial flights promote not only safety and health but comfort as well.

As affirmed by the records of votes of the members of your Committees on Transportation and Energy 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. 121 and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Transportation and Energy: Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Baker, Slom).

SCRep. 3321 Commerce, Consumer Protection, and Health on Gov. Msg. No. 678

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, WEST O'AHU SUBAREA

G.M. No. 678 JAY ALAN RAYMUNDO, for a term to expire 06-30-2017

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jay Alan Raymundo to possess the requisite qualifications to be nominated to the Health Planning Council, West Oahu Subarea.

Your Committee received testimony in support of the nomination of Jay Alan Raymundo from the State Health Planning and Development Agency and six individuals.

Your Committee finds that Mr. Raymundo is presently the Chief Executive Officer of Aloha Habilitation Services and has previous work experience as a Case Manager for The Arc of Greater Waltham, Massachusetts. He is also active in the community, serving as a Board Member for the Wahiwa Center for Community Health, Hawaii Junior Chamber, Filipino Chamber of Commerce of Hawaii, and Hawaii Waiver Providers' Association. Mr. Raymundo indicated in his personal statement that he feels his professional experience has given him opportunities to face challenges in the delivery of home health care services, as well as opportunities to explore solutions to these challenges by working with the Department of Health and Department of Human Services. Your Committee finds that Mr. Raymundo's strong administration background, as well as his commitment to improving health care access and efficiency for the community, will be great assets to the Health Planning Council, West Oahu Subarea.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3322 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 674, 675, 676, and 677

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, TRI-ISLE SUBAREA

G.M. No. 674 ANNE TRYGSTAD, for a term to expire 06-30-2018;

G.M. No. 675 KAREN HOLT, for a term to expire 06-30-2018;

G.M. No. 676 KATHLEEN HAGAN, for a term to expire 06-30-2017; and

G.M. No. 677 MARY CATIEL, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Anne Trygstad, Karen Holt, Kathleen Hagan, and Mary Catiel to possess the requisite qualifications to be nominated to the Health Planning Council, Tri-Isle Subarea.

ANNE TRYGSTAD

Your Committee received testimony in support of the nomination of Anne Trygstad from the State Health Planning and Development Agency.

Your Committee finds that Ms. Trygstad is presently a Nursing Instructor at the University of Hawaii Maui College and has previous work experience as a Registered Nurse Community Project Coordinator at Kula Hospital and Registered Nurse Case Manager and Relief Charge Nurse at Maui Memorial Medical Center. Ms. Trygstad has received the Hawaii Pacific Gerontological Society Na Lima Kokua Ma Waena O Makua Award for her contributions to the science of gerontology in Hawaii and has served on the Health Planning Council, Tri-Isle Subarea, for many years, where she currently serves as the Vice-Chair. Ms. Trygstad indicated in her personal statement that she wishes to continue to serve as a member of the Health Planning Council, Tri-Isle Subarea, to further enhance health care services for Maui County residents and visitors. Your Committee finds that Ms. Trygstad's experience in nursing, as well as her commitment to public service, will continue to be great assets to the Health Planning Council, Tri-Isle Subarea.

KAREN HOLT

Your Committee received testimony in support of the nomination of Karen Holt from the State Health Planning and Development Agency, Aha Moku Advisory Committee, and two individuals.

Your Committee finds that Ms. Holt is presently the Executive Director of the Moloka'i Community Service Council, and has previous work experience as a Managing Attorney for Legal Aid Society of Hawai'i and Staff Attorney for VISTA. Ms. Holt is active in the community as a Board Member of the Hawaii State Coalition Against Domestic Violence and Moloka'i Health Foundation and has previously served on the Hawaiian Homes Commission, Moloka'i Community Service Council, and Health Planning Council, Tri-Isle Subarea. Ms. Holt indicated in her personal statement that she believes her previous experience on the Health Planning Council, Tri-Isle Subarea, will help her to provide useful input in decision making. Your Committee finds that Ms. Holt's background, as well as her demonstrated willingness to serve the community, will be great assets to the Health Planning Council, Tri-Isle Subarea.

KATHLEEN HAGAN

Your Committee received testimony in support of the nomination of Kathleen Hagan from the State Health Planning and Development Agency and two individuals.

Your Committee finds that Ms. Hagan is presently an Assistant Professor at the University of Hawaii Maui College, part-time Nurse Practitioner at the University of Hawaii Maui College Campus Health Center, and part-time Nurse for the Tutu & Me Traveling Preschool Program. Ms. Hagan has previous work experience as a Staff Nurse at the Kaiser Permanente Santa Teresa Hospital, Clinical Nurse at the Stanford Hospital, and Senior Consulting Data Analyst at Kaiser Permanente, Division of Research, and was selected as a Ka Ipu Kukui Fellow, an initiative that promotes and develops future leaders through a community-based program to plan for the future of Maui. Ms. Hagan indicated in her personal statement that her passion is health promotion in all its forms and that she would like to find ways to optimize the health of current and future residents of Maui County with the available resources in the community. Your Committee finds that Ms. Hagan's professional background, as well as her passion for improving health care for her community, will be great assets to the Health Planning Council, Tri-Isle Subarea.

MARY CATIEL

Your Committee received testimony in support of the nomination for reappointment of Mary Catiel from the State Health Planning and Development Agency.

Your Committee finds that prior to retirement, Ms. Catiel served as the Director of Nursing and Interim Administrator at Lanai Community Hospital. She has over forty-six years of experience as a Registered Nurse and is still active with the Maui County Office on Aging. She also currently serves on the Health Planning Council, Tri-Isle Subarea, a position she has held since 2012. Ms. Catiel indicated in her personal statement that due to the many new community members who have concerns regarding the conditions of health care on Lanai, she hopes to share her experience and perspective on the progress that has been achieved in recent years. Your Committee finds that Ms. Catiel's wealth of experience in the health care field, as well as her dedication to serving and informing her community, will continue to be great assets to the Health Planning Council, Tri-Isle Subarea.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3323 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 679 and 680

Recommending that the Senate advise and consent to the nominations of the following:

MENTAL HEALTH AND SUBSTANCE ABUSE, HAWAI'I SERVICE AREA BOARD

G.M. No. 679 JEAN PAMMER, for a term to expire 06-30-2018; and

G.M. No. 680 SUSAN MCCREE, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Jean Pammer and Susan McCree to possess the requisite qualifications to be nominated to the Mental Health and Substance Abuse, Hawai'i Service Area Board.

JEAN PAMMER

Your Committee received testimony in support of the nomination of Jean Pammer from the Department of Health and two individuals.

Your Committee finds that prior to retirement, Ms. Pammer worked as a Nurse in a variety of locations, including Maryland, Virginia, Washington, D.C., and Saudi Arabia. Ms. Pammer brings numerous years of experience in the fields of mental illness and substance abuse treatment. Ms. Pammer indicated in her personal statement that, as a resident of Hawaii County, she has been looking for a way to get involved in her community and will be able to use her personal and professional experiences to address the needs of those in her community dealing with mental illnesses and substance abuse. Your Committee finds that Ms. Pammer's experience in the health care industry, as well as her willingness to serve her community, will be great assets to the Mental Health and Substance Abuse, Hawai'i Service Area Board.

SUSAN MCCREE

Your Committee received testimony in support of the nomination of Susan McCree from the Department of Health and one individual.

Your Committee finds that prior to retirement, Ms. McCree worked as a Unit Supervisor and Social Worker for the West Hawaii Child Welfare Services in the Department of Human Services, resulting in over thirty-three years of firsthand knowledge of the

challenges that individuals experience in getting mental health and substance abuse services in Hawaii County. Ms. McCree indicated in her personal statement that she would like to see government agencies and private providers better collaborate in serving the adult population that is dually diagnosed with mental health and substance abuse conditions. Your Committee finds that Ms. McCree's professional experience as a social worker, as well as her familiarity with the challenges that many individuals face when trying to access mental health and substance abuse services, will be great assets to the Mental Health and Substance Abuse, Hawai'i Service Area Board.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3324 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 681 and 682

Recommending that the Senate advise and consent to the nominations of the following:

MENTAL HEALTH AND SUBSTANCE ABUSE, O'AHU SERVICE AREA BOARD

G.M. No. 681 MICHAEL STEWART, for a term to expire 06-30-2018; and

G.M. No. 682 TRENNA SYKES-HEBERT, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Michael Stewart and Trenna Sykes-Hebert to possess the requisite qualifications to be nominated to the Mental Health and Substance Abuse, Oahu Service Area Board.

MICHAEL STEWART

Your Committee received testimony in support of the nomination of Michael Stewart from the Department of Health and one individual.

Your Committee finds that prior to retirement, Mr. Stewart worked as a Social Worker for the Department of Human Services' Child Protective Services, Department of Health's Developmental Disabilities Division and Child and Adolescent Mental Health Division, and Honolulu District Special Education and Autism Team. He has also demonstrated his commitment to serving the public by previously serving on the Hawaii State Hospital Citizens Advisory Board for two years. Mr. Stewart indicated in his personal statement that he believes his experience and record of past assignments will add to the existing Mental Health and Substance Abuse, Oahu Service Area Board, to better serve the public. Your Committee finds that Mr. Stewart's professional experience, as well as his background in working with multi-cultural and varied socio-economic groups, will be great assets to the Mental Health and Substance Abuse, Oahu Service Area Board.

TRENNA SYKES-HEBERT

Your Committee received testimony in support of the nomination of Trenna Sykes-Hebert from the Department of Health and four individuals.

Your Committee finds that Ms. Sykes-Hebert is presently the Managing Program Director for American Indian and Alaska Native Healthcare in Hawaii and a Case Management Consultant and has previous work experience as a Community Development Block Grant Case Manager with the City and County of Honolulu's Rent to Work Program. Through her experiences, Ms. Sykes-Hebert has demonstrated her ability to advocate for and serve individuals who are homeless, medically fragile, substance abusers, and mentally ill. Ms. Sykes-Hebert has indicated in her personal statement that she has written several resource guides related to affordable housing and substance abuse treatment strategies and is knowledgeable about the various resources that are available to serve those suffering from mental illness and substance abuse. Your Committee finds that Ms. Sykes-Hebert's background in working with Hawaii's most vulnerable populations, as well as her passion for serving the community, will be great assets to the Mental Health and Substance Abuse, Oahu Service Area Board.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3325 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 683, 684, 685, and 686

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

G.M. No. 683 JACQUELINE INDREGINAL, for a term to expire 06-30-2019;

G.M. No. 684 LOUISE IWAISHI, for a term to expire 06-30-2020;

G.M. No. 685 SARAH AHINA, for a term to expire 06-30-2020; and

G.M. No. 686 SOL RAY DUNCAN, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Jacqueline Indreginal, Louise Iwaishi, Sarah Ahina, and Sol Ray Duncan to possess the requisite qualifications to be nominated to the State Council on Developmental Disabilities.

JACQUELINE INDREGINAL

Your Committee received testimony in support of the nomination of Jacqueline Indreginal from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and two individuals.

Your Committee finds that Ms. Indreginal is presently the Administrator for the Quality and Member Relations Section at the Department of Human Services, Med-QUEST Division and has previous work experience as a Registered Nurse in the State. Her experience in various areas of health care has allowed her to view issues more objectively from both a consumer's perspective and administrative perspective. Ms. Indreginal indicated in her personal statement that she values education and encourages the public, advocates, and organizations to learn about their rights and choices to protect themselves from exploitation and abuse. Your Committee finds that Ms. Indreginal's knowledge, as well as her ability to work collaboratively with government agencies and community members, will be great assets to the State Council on Developmental Disabilities.

LOUISE IWAISHI

Your Committee received testimony in support of the nomination for reappointment of Louise Iwaishi from the Department of Health, Hawaii Self-Advocacy Advisory Council, Hilopa'a Family to Family Health Information Center, and one individual.

Your Committee finds that Dr. Iwaishi is presently the Medical Director for the Family Health Services Division of the Department of Health, Director of the Dyson Community Pediatrics Institute under the Department of Pediatrics of the John A. Burns School of Medicine at the University of Hawaii at Manoa, Chief of Pediatrics at Shriners Hospital, and Developmental Pediatrics Consultant for the Department of Health. Dr. Iwaishi is also highly active in the community, having served on the State Council on Developmental Disabilities since 2009. Dr. Iwaishi indicated in her personal statement that, through her expertise, she can provide information related to Hawaii's Title V Maternal and Child Health Block Grant and how it impacts individuals with intellectual and developmental disabilities. Your Committee finds that Dr. Iwaishi's wealth of knowledge, as well as her experience serving children with special health care needs and their families, will continue to be great assets to the State Council on Developmental Disabilities.

SARAH AHINA

Your Committee received testimony in support of the nomination of Sarah Ahina from the State Council on Developmental Disabilities, Hawaii Self-Advocacy Advisory Council, and one individual.

Your Committee finds that Ms. Ahina is presently employed by the After-School Plus Program at Makaha Elementary School and has previously owned her own business, Keoni Kanaloa Da Kine Crafts. Ms. Ahina is also active in the community, serving on the State Council on Developmental Disabilities since 2009 and as past President of the Hawaii Self-Advocacy Advisory Council, an organization she helped to establish. Ms. Ahina indicated in her personal statement that she hopes to work with the State Council on Developmental Disabilities in training and organizing self-advocates to interact with policymakers and improve the community. Your Committee finds that Ms. Ahina's past experiences, as well as her willingness to help others access services and support so they can achieve independence, will be great assets to the State Council on Developmental Disabilities.

SOL RAY DUNCAN

Your Committee received testimony in support of the nomination for reappointment of Sol Ray Duncan from the State Council on Developmental Disabilities and Hawaii Self-Advocacy Advisory Council.

Your Committee finds that Mr. Duncan is presently a Receptionist for Easter Seals Hawaii and has past work experience as a Parking Auditor for Republic Parking Northwest, Inc., and Custodian and Cleaning Assistant at Kohala High School. Mr. Duncan has been involved with the State Council on Developmental Disabilities since 2010 and, because of his commitment and dedication to serve the community, was officially appointed to the Council in 2012. Mr. Duncan indicated in his personal statement that he hopes that the Council will address and solve transportation issues, such as ensuring timely pick-ups by The Handi-Van Service, and employment issues, such as individuals with developmental disabilities maintaining employment while maintaining their Supplemental Security Income benefits. Your Committee finds that Mr. Duncan's dedication to serving the community, as well as his passion for self-advocacy, will continue to be great assets to the State Council on Developmental Disabilities.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3326 Commerce, Consumer Protection, and Health on H.B. No. 2422

The purpose and intent of this measure is to:

- (1) Clarify that the requirement of prior approval from a county liquor commission regarding a change in ownership of at least twenty-five percent of a corporation's outstanding capital stock applies only to voting capital stock;
- (2) Require publicly-traded companies or entities ultimately solely owned by publicly-traded companies to provide information for officers designated as primary decisionmakers regarding the purchase and sale of liquor; and

- (3) Allow applicants for a liquor license or license renewal, or transferor and transferee in the case of a license transfer, to present a tax clearance certificate from the Department of Taxation and Internal Revenue Service evidencing that they do not owe delinquent taxes, penalties, or interest.

Your Committee received testimony in support of this measure from the County of Kauai, Department of Liquor Control; Hawaii Food Industry Association; and Kona Brewing Company. Your Committee received comments on this measure from the Liquor Commission, City and County of Honolulu.

Your Committee finds that the existing process to transfer liquor licenses is cumbersome. Many companies that produce, purchase, or sell liquor in Hawaii and throughout the nation have multiple owners and officers, and numerous locations. This measure will clarify certain circumstances that warrant prior approval for a license transfer and make the transfer process more efficient for transferors, transferees, and the county liquor commissions, without impeding or decreasing the quality of the liquor commissions' regulatory oversight.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2422, H.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. 3327 Commerce, Consumer Protection, and Health on H.B. No. 2626

The purpose and intent of this measure is to:

- (1) Prohibit the Department of Health from issuing a permit for a new underground storage tank within 100 yards of the shoreline;
- (2) Allow the Department of Health to issue a permit to repair or replace existing underground storage tanks;
- (3) Allow permit holders for existing underground storage tanks located within 100 yards of the shoreline to renew their permits; and
- (4) Beginning January 1, 2045, prohibit operation of and renewal of a permit for an underground storage tank within 100 yards of the shoreline.

Your Committee received testimony in support of this measure from the Department of Health, City and County of Honolulu Board of Water Supply, and Sierra Club of Hawai'i. Your Committee received comments on this measure from Par Hawaii and the Hawai'i Petroleum Marketers Association.

Your Committee finds that climate change is real and that sea level rise poses a threat to Hawaii's quality of life. Immediate preparation for sea level rise will protect natural resources and save money in the long term. The inundation of underground storage tanks poses risks to the aquifer as well as coastal water quality and marine ecosystems. By prohibiting the operation of and renewal of underground storage tanks within 100 yards of the shoreline beginning January 1, 2045, this measure may complement the renewable portfolio standards under section 269-92, Hawaii Revised Statutes, and assure 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) Clarifying that a permit may be issued by the Department of Health for the purposes of repairing or replacing an existing underground storage tank within 100 yards of the shoreline;
- (2) Inserting language that, beginning January 1, 2020, requires the Department of Health to assist owners of underground storage tanks located within 100 yards of the shoreline to relocate or phase out use of such underground storage tanks by 2045;
- (3) Inserting an effective date of 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2626, 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. 2626, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 3328 Commerce, Consumer Protection, and Health on H.B. No. 1733

The purpose and intent of this measure is to:

- (1) Require the Department of Land and Natural Resources to review an application for renewal of a commercial permit for small boat harbors that is received at least ninety days prior to expiration, and renew the permit or inform the applicant of any reasons for a nonrenewal within thirty days of receiving the application; and
- (2) Authorize a thirty-day grace period for persons who fail to timely obtain renewal of a commercial permit.

Your Committee received testimony in support of this measure from the Ocean Tourism Coalition; Teralani Sailing Adventures; Lahaina Divers, Inc.; Maui Dive Shop; Quicksilver Charters; and Trilogy Corporation. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources.

Your Committee finds that the permit renewal process for commercial permit holders for small boat harbors needs to be improved to encourage better communication and fairness during the permit renewal process. This measure requires the Department of Labor and Industrial Relations to renew the permit or give a response within thirty days of receiving an application for renewal of a commercial permit for small boat harbors that is received at least ninety days prior to expiration.

Your Committee further finds that interested stakeholders have indicated that the preferred time frame for permit holders to submit permit renewals is at least sixty days, rather than ninety days, prior to permit expiration. An amendment to this measure to incorporate this time frame is therefore necessary.

Accordingly, your Committee has amended this measure by clarifying that when an application for renewal of a commercial permit is made at least sixty days, rather than ninety days, prior to expiration of the permit, the Department of Land and Natural Resources shall review the application and, within thirty days of receipt, renew the permit or notify the applicant that the application is incomplete or cannot be renewed and explain any reasons for nonrenewal.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1733, 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. 1733, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 3329 Commerce, Consumer Protection, and Health on H.B. No. 2030

The purpose and intent of this measure is to prohibit the discharge of treated or raw sewage into state waters after December 31, 2049, except when used to create clean energy.

Your Committee received testimony in support of this measure from the Hawai'i Fresh Water Council; Larry Jeffs Farms, LLC; and one individual. Your Committee received testimony in opposition to this measure from the City and County of Honolulu Department of Environmental Services and City and County of Honolulu Department of Design and Construction. Your Committee received comments on this measure from the Department of Health.

Your Committee notes that the testimony submitted in opposition to this measure from the City and County of Honolulu Department of Environmental Services and City and County of Honolulu Department of Design and Construction pertain to H.B. No. 2030, H.D. 1, a previous version of this measure.

Your Committee finds that the State's waters are a precious resource that must be protected from pollutants. Decreasing pollution of the State's water resources and protecting the State's drinking water, streams, and oceans, are essential for the health of Hawaii's residents and visitors. Your Committee further finds that it is also critical to allow residents cost-effective ways to utilize the State's water resources by using recycled or reclaimed water in beneficial ways, such as for agriculture, that adhere to the 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 Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2030, 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. 2030, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, none.

SCRep. 3330 Commerce, Consumer Protection, and Health on H.B. No. 2077

The purpose and intent of this measure is to permit hydroelectric facilities that are considered small hydropower facilities by the United States Department of Energy on agricultural district lands.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Ulupono Initiative, Hawai'i Fresh Water Council, Hawai'i Community Foundation, and one individual. Your Committee received comments on this measure from the Department of Agriculture and the Office of Hawaiian Affairs.

Your Committee finds that renewable energy is important to the State's energy goals. In recognition of the role hydroelectric energy-generating facilities can play as part of the State's efforts toward energy independence and security, this measure permits hydroelectric facilities that are considered small hydropower facilities on agricultural district lands. This measure also includes provisions requiring compliance with the State Water Code and rules regarding the establishment of instream flow standards, which will help ensure protection of public trust resources and uses.

Your Committee has heard the concerns raised by the Department of Agriculture that this measure may not sufficiently address the impact that hydroelectric facilities may have on the uses of agricultural land or availability of surface or ground water. Your Committee understands these concerns and concludes that this measure should be amended to incorporate language from the Department of Agriculture that reinforces the protection of agricultural activities from the construction and operation of hydroelectric facilities.

Your Committee has amended this measure by:

- (1) Clarifying that hydroelectric facilities are permitted on agricultural district lands; provided that the hydroelectric facilities do not impact or impede whatsoever the use of agricultural land or the availability of surface or ground water for all uses on all parcels that are served by the ground water sources or streams for which hydroelectric facilities are considered; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2077, 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. 2077, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, none.

SCRep. 3331 Commerce, Consumer Protection, and Health on H.B. No. 1541

The purpose and intent of this measure is to make the proxy statement requirements for planned community associations conform to proxy statement requirements for condominium associations.

Your Committee received testimony in support of this measure from the Hawai'i State Association of Parliamentarians, Palehua Townhouse Association, Hawaii Council of Associations of Apartment Owners, Associa, and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that this measure is intended to address certain concerns related to proxy statements associated with planned community associations in Hawaii by conforming proxy statement requirements for these associations with proxy statement requirements applicable to condominium associations. This measure is intended to promote more communication from prospective board of directors candidates to all owners when proxies are used for elections of directors; reduce management errors by standardizing the proxy form used by planned community associations; and ensure that managing agents, resident managers, or employees thereof do not solicit or cast any proxy vote at association meetings for the same association that employs their services.

However, your Committee has heard concerns that conforming proxies for planned community associations with condominium association proxy requirements may not be appropriate in all circumstances. For example, requiring planned community associations to mail out proxy statements to all owners when proxies are used for elections may be costly, as planned community associations are often much larger than condominium associations and may consist of thousands of homes. Your Committee understands these concerns and concludes that a more practical and cost-effective solution for communicating longer proxy statements would be to notify planned community association members that a longer statement will be available on the Internet.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that if a board's notice of intent to distribute proxies states that a statement shall not exceed one hundred words, but a longer statement shall be available on the Internet, then:
 - (A) The owner may provide a written statement, not to exceed one hundred words, together with a longer statement in an electronic file not to exceed one hundred kilobytes; and
 - (B) The mailing of the written statements by the association shall include an internet link informing owners that longer statements shall be available on the Internet;
- (2) Specifying that in all other instances, the statement shall not exceed one single-sided, eight and one-half inches by eleven inch page and the association shall not be required to make a longer statement available on the Internet;
- (3) Amending its effective date to upon approval; provided that the proxy statement requirements shall apply to proxies for meetings of a planned community association that occur on or after October 1, 2016, to give planned community association boards adequate time to transition to the new requirements; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1541, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1541, 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, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 3332 Ways and Means on S.R. No. 103

The purpose and intent of this measure is to request the Tax Review Commission to conduct or commission an update to its 1989 study, "Distribution of State and Local Tax Burden by Income Class."

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that the economy has changed significantly in the decades since the study was published. Your Committee believes that an update of this study is needed for the Legislature and state administration to be able to make the best decisions on revenue and tax policy.

As 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. 103 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3333 Ways and Means on S.C.R. No. 139

The purpose and intent of this measure is to request the Tax Review Commission to conduct or commission an update to its 1989 study, "Distribution of State and Local Tax Burden by Income Class."

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that the economy has changed significantly in the decades since the study was published. Your Committee believes that an update of this study is needed for the Legislature and state administration to be able to make the best decisions on revenue and tax policy.

As 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. 139 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3334 Ways and Means on S.C.R. No. 59

The purpose and intent of this measure is to request the Tax Review Commission to evaluate whether the standard deduction and personal exemption under chapter 235, Hawaii Revised Statutes, should be increased or conformed to the Internal Revenue Code.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that the amounts of the standard deduction and personal exemption for federal income taxation set forth in the Internal Revenue Code are higher than the corresponding amounts for state income taxation set forth in chapter 235, Hawaii Revised Statutes. Your Committee also finds that unlike the Internal Revenue Code, the Hawaii Revised Statutes do not provide for the automatic adjustment of the standard deduction and personal exemption for inflation.

Your Committee notes that pursuant to article VII, section 3, of the state constitution, the Tax Review Commission has the duty to evaluate the State's tax structure and recommend tax policy. Your Committee therefore believes that it is both appropriate and necessary for the Tax Review Commission to evaluate whether the standard deduction and personal exemption under chapter 235, Hawaii Revised Statutes, should be increased or conformed to the Internal Revenue Code.

As 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. 59 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3335 Ways and Means on S.R. No. 31

The purpose and intent of this measure is to request the Tax Review Commission to evaluate whether the standard deduction and personal exemption under chapter 235, Hawaii Revised Statutes, should be increased or conformed to the Internal Revenue Code.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that the amounts of the standard deduction and personal exemption for federal income taxation set forth in the Internal Revenue Code are higher than the corresponding amounts for state income taxation set forth in chapter 235, Hawaii Revised Statutes. Your Committee also finds that unlike the Internal Revenue Code, the Hawaii Revised Statutes do not provide for the automatic adjustment of the standard deduction and personal exemption for inflation.

Your Committee notes that pursuant to article VII, section 3, of the state constitution, the Tax Review Commission has the duty to evaluate the State's tax structure and recommend tax policy. Your Committee therefore believes that it is both appropriate and necessary for the Tax Review Commission to evaluate whether the standard deduction and personal exemption under chapter 235, Hawaii Revised Statutes, should be increased or conformed to the Internal Revenue Code.

As 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. 31 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3336 Ways and Means on S.R. No. 30

The purpose and intent of this measure is to request the Tax Review Commission to conduct or commission a study that evaluates all or certain state income tax credits, exclusions, and deductions.

More specifically, this measure requests the Tax Review Commission to review all state income tax credits, exclusions, and deductions if possible. If this comprehensive review is not possible, the measure requests the Commission to evaluate the credits, exclusions, and deductions that result in the most significant loss of state general fund revenues.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that certain income tax credits, exclusions, and deductions serve an important purpose for the state economy. However, income tax credits, exclusions, and deductions reduce state revenues. Despite a reduction in revenues, state programs must still be paid for, which can place an inequitable burden on the taxpayers that do not benefit from such credits, exclusions, or deductions. Your Committee believes that good tax policy requires the equal treatment of similarly-situated taxpayers for the sake of equity and efficiency.

Your Committee further finds that a Tax Review Commission is anticipated to be convened pursuant to Article VII, section 3, of the State Constitution. Duties of the Tax Review Commission include evaluating the State's tax structure and recommending revenue and tax policy. The 2005-2007 Tax Review Commission's review of certain general excise and use tax exemptions and deductions was

greatly beneficial to subsequent Legislatures in crafting tax policy. Your Committee believes that a similar review that evaluates all or certain state income tax credits, exclusions, and deductions will be beneficial to future Legislatures in the same 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 concurs with the intent and purpose of S.R. No. 30 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3337 Ways and Means on S.C.R. No. 58

The purpose and intent of this measure is to request the Tax Review Commission to conduct or commission a study that evaluates all or certain state income tax credits, exclusions, and deductions.

More specifically, this measure requests the Tax Review Commission to review all state income tax credits, exclusions, and deductions if possible. If this comprehensive review is not possible, the measure requests the Commission to evaluate the credits, exclusions, and deductions that result in the most significant loss of state general fund revenues.

Your Committee received comments on this measure from the Department of Taxation.

Your Committee finds that certain income tax credits, exclusions, and deductions serve an important purpose for the state economy. However, income tax credits, exclusions, and deductions reduce state revenues. Despite a reduction in revenues, state programs must still be paid for, which can place an inequitable burden on the taxpayers that do not benefit from such credits, exclusions, or deductions. Your Committee believes that good tax policy requires the equal treatment of similarly-situated taxpayers for the sake of equity and efficiency.

Your Committee further finds that a Tax Review Commission is anticipated to be convened pursuant to Article VII, section 3, of the State Constitution. Duties of the Tax Review Commission include evaluating the State's tax structure and recommending revenue and tax policy. The 2005-2007 Tax Review Commission's review of certain general excise and use tax exemptions and deductions was greatly beneficial to subsequent Legislatures in crafting tax policy. Your Committee believes that a similar review that evaluates all or certain state income tax credits, exclusions, and deductions will be beneficial to future Legislatures in the same 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 concurs with the intent and purpose of S.C.R. No. 58 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3338 Ways and Means on Gov. Msg. No. 593

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 3RD TAXATION DISTRICT (HAWAII)

G.M. No. 593 RICHARD ROVELSTAD, for a term to expire 06-30-2017

Your Committee reviewed the personal statement and resume submitted by Richard Rovelstad for service on the Board of Taxation Review for the 3rd Taxation District (Hawaii).

Your Committee received testimony in support of the nomination of Richard Rovelstad from the Department of Taxation.

Upon review of the testimony, your Committee finds that the nominee's knowledge of business, accounting, and taxation qualifies him to serve on the Board of Taxation Review for the 3rd Taxation District. Your Committee notes that Dr. Rovelstad received a Doctor of Philosophy degree in Accounting from the University of Alabama, a Master of Business Administration degree from the University of Minnesota, and a Bachelor of Arts degree from Saint Olaf College. Dr. Rovelstad's career in academia began in 1974. During his career, Dr. Rovelstad has served as Associate Professor of Business and Dean of the Michael E. Stephens College of Business at the University of Montevallo in Alabama.

Dr. Rovelstad is a certified public accountant, licensed in the State of Wisconsin. Dr. Rovelstad is a member of professional organizations that include the Hawaii Society of Certified Public Accountants, Alabama Society of Certified Public Accountants, and American Institute of Certified Public Accountants. Dr. Rovelstad is also involved in community service and currently serves as President of the Rotary Club of Kona Mauka. Your Committee believes that the nominee's extensive experience and dedication would benefit the Board of Taxation Review, as well as Hawaii taxpayers and the tax 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, 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, 9. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 3339 Ways and Means on Gov. Msg. No. 592

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 3RD TAXATION DISTRICT (HAWAII)

G.M. No. 592 MARILYN GAGEN, for a term to expire 06-30-2019

Your Committee reviewed the personal statement and resume submitted by Marilyn Gagen for service on the Board of Taxation Review for the 3rd Taxation District (Hawai'i).

Your Committee received testimony in support of the nomination of Marilyn Gagen from the Department of Taxation and one individual.

Upon review of the testimony, your Committee finds that the nominee's many years of experience in the areas of tax and accounting qualify her to serve on the Board of Taxation Review for the 3rd Taxation District. Your Committee notes that Ms. Gagen graduated Magna Cum Laude from Case Western Reserve University with a Bachelor of Science degree in Accounting. Ms. Gagen is a certified public accountant with over forty-five years of experience and was one of the first female partners in the international accounting firm of Deloitte & Touche, LLP. Prior to her retirement in 2002, Ms. Gagen had been the partner-in-charge of Deloitte Hawaii's tax practice for over ten years. Ms. Gagen currently operates a small practice in tax planning.

Ms. Gagen is a member of several community service organizations, including the American Heart Association and Hawaii Public Health Institute. Ms. Gagen is also a past member of the Tax Review Commission. Your Committee believes that the nominee's extensive experience and dedication would benefit the Board of Taxation Review, as well as Hawaii taxpayers and the tax 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, 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, 9. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 3340 Commerce, Consumer Protection, and Health on Gov. Msg. No. 705

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PHYSICAL THERAPY

G.M. No. 705 NEIL SHIMABUKURO, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Neil Shimabukuro to possess the requisite qualifications to be nominated to the Board of Physical Therapy.

Your Committee received testimony in support of the nomination of Neil Shimabukuro from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Shimabukuro's background, experience, and proven leadership on the Board of Physical Therapy qualify him to be nominated for reappointment to the Board of Physical Therapy as a physical therapist member. Your Committee notes that Mr. Shimabukuro has been a physical therapist in Hawaii for sixteen years and worked in various outpatient practices before opening his own clinic in Honolulu, Holomua Physical Therapy. Your Committee further finds that Mr. Shimabukuro has been a member of the Board of Physical Therapy since July 2012, has served as the Board's Chair since September 2014, 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 2016. Your Committee therefore recommends that Mr. Shimabukuro be reappointed to the Board of Physical Therapy based on his knowledge, background, and commitment to his profession.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Sлом).

SCRep. 3341 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 687, 688, 689, 690, 691, and 692

Recommending that the Senate advise and consent to the nominations of the following:

STATEWIDE HEALTH COORDINATING COUNCIL

G.M. No. 687 CREIGHTON LIU, for a term to expire 06-30-2016;

G.M. No. 688 CREIGHTON LIU, for a term to expire 06-30-2020;

G.M. No. 689 ELAINE SLAVINSKY, for a term to expire 06-30-2020;

G.M. No. 690 JONAGUSTINE LIM, for a term to expire 06-30-2020;

G.M. No. 691 LAURA COLBERT, for a term to expire 06-30-2020; and

G.M. No. 692 LEONARD LICINA, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Creighton Liu, Elaine Slavinsky, Jonagustine Lim, Laura Colbert, and Leonard Licina to possess the requisite qualifications to be nominated to the Statewide Health Coordinating Council.

CREIGHTON LIU

Your Committee received testimony in support of the nomination for appointment and reappointment of Creighton Liu from the State Health Planning and Development Agency and two individuals.

Your Committee finds that Mr. Liu is presently the Director of Strategic Planning for Hawaiian Electric Industries, Inc., and has previous work experience as the Manager of Health Care Strategy and Analysis for the Hawaii Medical Service Association and Director of Strategic Planning and Projects for Kaiser Permanente Hawaii. Mr. Liu is active in the community, as he currently serves as the Chair of the Plan Development Committee and Member of the Certificate of Need Review Panel for the State Health Planning and Development Agency. Mr. Liu indicated in his personal statement that he believes in volunteerism as an important way to give back to the community. Your Committee finds that Mr. Liu's background in strategic planning, as well as his dedication to public service, will be great assets to the Statewide Health Coordinating Council.

ELAINE SLAVINSKY

Your Committee received testimony in support of the nomination of Elaine Slavinsky from the State Health Planning and Development Agency.

Your Committee finds that Ms. Slavinsky is presently a Registered Nurse and has past work experience as a Hospital Discharge Planner contracted with the Maui County Office on Aging; Program Director for the Alzheimer's Association, Maui; and Director of Nursing at Maui Memorial Medical Center. She actively serves the community as a current Member of the Statewide Health Coordinating Council and has previously served as Chair of the Health Planning Council, Tri-Isle Subarea. Ms. Slavinsky indicated in her personal statement that she hopes to continue to provide input to the Statewide Health Coordinating Council based on her extensive experience as a Registered Nurse in many diverse areas of health care. Your Committee finds that Ms. Slavinsky's experience in the health care industry, as well as her proven leadership, will continue to be great assets to the Statewide Health Coordinating Council.

JONAGUSTINE LIM

Your Committee received testimony in support of the nomination of Jonagustine Lim from the State Health Planning and Development Agency and two individuals.

Your Committee finds that Mr. Lim is presently the President of LimPacific, Inc., and has past work experience as a Senior Information Technology Consultant for the American Chamber of Commerce in Shanghai, China, and eGovernment Specialist for the Information and Communication Services Division of the Department of Accounting and General Services. Mr. Lim is currently serving as the Chair of the Health Planning Council, Honolulu Subarea, and as a Member of the Statewide Health Coordinating Council. Mr. Lim indicated in his personal statement that he believes it is a person's duty to serve the community and gladly volunteers his time and energy to serve others. Your Committee finds that Mr. Lim's experiences in business, education, and volunteerism will allow him to be an asset to the Statewide Health Coordinating Council.

LAURA COLBERT

Your Committee received testimony in support of the nomination of Laura Colbert from the State Health Planning and Development Agency and one individual.

Your Committee finds that Ms. Colbert is presently the Chief Operating Officer at Chun Kerr LLP and has past work experience as a Business Consultant with St. Francis Healthcare System and Wahiawa General Hospital, Vice-President and Director of Operations for Liberty Dialysis-Hawaii, and President and Chief Executive Officer of Lanakila Rehabilitation Center. Ms. Colbert has served the community in a variety of capacities, including serving on the Board of Directors and Development Committee for the Voyager School Foundation and Board of Directors for the Hawaii Health Information Corporation. Ms. Colbert indicated in her personal statement that, having spent twelve years in the health care industry in various roles, she can bring a certain insight to the Statewide Health Coordinating Council. Your Committee finds that Ms. Colbert's experience in the health care field, as well as her dedication to public service, will be great assets to the Statewide Health Coordinating Council.

LEONARD LICINA

Your Committee received testimony in support of the nomination of Leonard Licina from the State Health Planning and Development Agency, Healthcare Association of Hawaii, and one individual.

Your Committee finds that Mr. Licina has been the Chief Executive Officer of Kahi Mohala Hospital since 2008 and was previously the Chief Financial Officer for twelve years. He was also the Chief Operating Officer at the Mana Institute and Controller of the Rehabilitation Hospital of the Pacific. Since 1991, Mr. Licina has served as a Board Member for the Healthcare Financial Management Association, Hawaii Chapter, and since 2012, he has served as a Member of the State Health Coordinating Council. With over thirty years in health care administration in Hawaii, Mr. Licina has a thorough understanding of the Hawaii health care system. Your Committee finds that Mr. Licina's expertise in the health care industry, as well as his proven leadership, will be great assets to the Statewide Health Coordinating Council.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Espero, Ihara).

SCRep. 3342 Commerce, Consumer Protection, and Health on S.C.R. No. 87

The purpose and intent of this measure is to request the Hawaii Public Housing Authority to document violations of its prohibition on smoking in and around public housing.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that section 356D-6.5, Hawaii Revised Statutes, assists in providing smoke-free environments for families by prohibiting smoking in and around public housing projects, state low-income housing projects, and elder or elderly households. Due to the long-term effects of the residual contamination from the use of cigarettes, cigars, or other tobacco products that remains in enclosed indoor spaces, or “thirdhand smoke”, violators of smoking prohibitions may negatively affect the health of subsequent tenants and guests of public housing projects, state low-income housing projects, and elder or elderly households. While enforcement of smoking prohibitions is challenging, this measure encourages the Hawaii Public Housing Authority to keep violators of smoking prohibitions accountable for their actions by considering these violations when evaluating whether to continue or form a lease agreement in the future with the violators.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 87 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 3343 Commerce, Consumer Protection, and Health on S.R. No. 58

The purpose and intent of this measure is to request the Hawaii Public Housing Authority to document violations of its prohibition on smoking in and around public housing.

Your Committee received testimony in support of this measure from two individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that section 356D-6.5, Hawaii Revised Statutes, assists in providing smoke-free environments for families by prohibiting smoking in and around public housing projects, state low-income housing projects, and elder or elderly households. Due to the long-term effects of the residual contamination from the use of cigarettes, cigars, or other tobacco products that remains in enclosed indoor spaces, or “thirdhand smoke”, violators of smoking prohibitions may negatively affect the health of subsequent tenants and guests of public housing projects, state low-income housing projects, and elder or elderly households. While enforcement of smoking prohibitions is challenging, this measure encourages the Hawaii Public Housing Authority to keep violators of smoking prohibitions accountable for their actions by considering these violations when evaluating whether to continue or form a lease agreement in the future with the violators.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 58 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 3344 Commerce, Consumer Protection, and Health on S.C.R. No. 129

The purpose and intent of this measure is to encourage the Department of Agriculture to adopt standards established by the tea industry to define geographical region designations for tea grown in the State.

Your Committee received testimony in support of this measure from the Tea of the United States Awards; Soil Culture Consulting; Old Hawaii Tea Company, LLC; Aloha Food Forest, LLC; Matcha Latte Media KK; Onomea Tea Company; and seven individuals. Your Committee received comments on this measure from the Department of Agriculture and one individual.

Your Committee finds that tea has great potential to become an important crop for Hawaii. However, according to testimony received by your Committee, companies are not currently prohibited from buying large quantities of low quality tea grown outside of Hawaii, blending this low quality tea with a small amount of Hawaii-grown tea, and labeling the final product as “Hawaiian” tea. This practice is misleading to consumers and diminishes the value and quality of the “made in Hawaii” or “produced in Hawaii” brand.

Your Committee further finds that adopting geographical region designation standards for tea grown in Hawaii, similar to the geographic origin distinctions for Hawaii-grown coffee, will protect the developing Hawaii tea industry and ensure consumers can identify genuine Hawaii-grown tea. However, your Committee notes that according to the Department of Agriculture, tea is not defined as an agricultural commodity under chapter 147, Hawaii Revised Statutes. As such, the Department of Agriculture does not currently have the authority to adopt standards to define geographic region as a certification mark. Amendments to this measure that address this issue are therefore necessary.

Accordingly, your Committee has amended this measure by:

- (1) Noting that tea is not currently defined as an agricultural commodity under chapter 147, Hawaii Revised Statutes, and therefore the Department of Agriculture does not have statutory authority to adopt geographical region designation standards for tea grown in Hawaii;
- (2) Noting that encouraging the Department of Agriculture and the tea industry to collaborate on proposed legislation would be beneficial to the development of Hawaii’s growing tea industry;
- (3) Encouraging the Department of Agriculture and the tea industry to collaborate on proposed legislation to define tea as an agricultural commodity under chapter 147, Hawaii Revised Statutes, and establish standards that define geographical region designations for tea grown in the State, rather than encouraging the tea industry and the Department to work separately on standards for geographical region designations;
- (4) Requesting the Department of Agriculture to submit a report to the Legislature no later than twenty days prior to the convening of the Regular Session of 2017 on the proposed legislation developed in collaboration with the tea industry;

- (5) Amending its title; 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, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 129, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 129, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 3345 Commerce, Consumer Protection, and Health on S.C.R. No. 106

The purpose and intent of this measure is to recognize the month of September as Sepsis Awareness Month in Hawaii and the thirteenth day in September of every year as Hawaii Sepsis Day.

Your Committee received testimony in support of this measure from the Healthcare Association of Hawaii, Patty Rohlffing Memorial Committee, and seven individuals.

Your Committee finds that sepsis is a serious medical condition that is caused by an overwhelming immune response to infection, whereby immune chemicals released into the blood to combat infection trigger widespread inflammation. According to the Centers for Disease Control and Prevention, sepsis affects more than one million Americans each year, kills up to half of them, and is the ninth-leading cause of disease-related death in the nation.

Your Committee further finds that in 2011, the Sepsis Alliance established the month of September as Sepsis Awareness Month, and in 2012, the Global Sepsis Alliance declared September 13 to be World Sepsis Day, bringing together people in the health care community and members of the public to recognize that sepsis is a global problem. Given the severe danger and widespread occurrence of this illness, more attention at the local level should be drawn to sepsis and sepsis awareness to ensure the health and well-being of Hawaii residents and visitors.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 106 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ihara, Slom).

SCRep. 3346 Ways and Means on H.B. No. 1852

The purpose and intent of this measure is to clarify that nonprofit organizations may receive loans from the Water Pollution Control Revolving Fund to engage in activities that are consistent with the Federal Water Pollution Control Act, including the planning, designing, and construction of wastewater treatment works.

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 recognizes that certain areas of the State are more likely than others to have cesspools, which leaves the groundwater in those areas susceptible to contamination. Your Committee finds that areas of the State that are prone to cesspools would be greatly served by wastewater treatment plants. Despite the significant costs, groups of residents may be willing to work together to design, plan, and construct a wastewater treatment plant to serve their area.

Your Committee further finds that the water pollution control revolving fund offers financial assistance for a wide range of wastewater infrastructure projects, but presently nonprofit organizations may not receive loans for the planning, designing, or construction of wastewater treatment works. Your Committee believes that expanding the authorized uses of the water pollution control revolving fund to allow nonprofit organizations to receive loans from the revolving fund to plan, design, or construct wastewater treatment works will encourage and allow groups of residents living in cesspool-dependent areas to develop wastewater treatment plants.

As affirmed by the record of votes of the members 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. 1852, 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 (English, Inouye).

SCRep. 3347 Ways and Means on H.B. No. 1111

The purpose and intent of this measure is to authorize the Hawaii Health Systems Corporation to set rates for copies of records that are protected from disclosure requirements of the Uniform Information Practices Act and establish minimum and maximum rates for copies of medical records based on the actual cost of preparation, provided that the amount shall be no less than \$1 per page and no more than \$2 per page.

Your Committee finds that the copying of medical records can be costly because it is labor-intensive and requires specialized training to ensure compliance with health care privacy and confidentiality regulations. By authorizing the Hawaii Health Systems Corporation to charge between \$1 and \$2 per page for copies, this measure will help reduce the corporation's cost of copying medical records subpoenaed from any of the corporation's regional system facilities, while ensuring that rates for copying are not excessive.

As affirmed by the record of votes of the members 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. 1111, 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 (English, Harimoto).

SCRep. 3348 Ways and Means on H.B. No. 1669

The purpose and intent of this measure is to improve peer reviews for public accountability.

Specifically, this measure:

- (1) Redefines “peer review” to include reviews done by out-of-state public accountability licensees;
- (2) Extends deadlines for filing of peer review compliance reporting forms and for appealing certain ratings from ten days to thirty calendar days;
- (3) Allows members of the public accountability peer review oversight committee to be reimbursed for expenses and protects members from civil liability for actions done in furtherance of the purposes of the committee;
- (4) Defines the term “Hawaii attest work”; and
- (5) Clarifies that a peer reviewer is required to select one or more engagements from the list of engagements obtained from a reviewed firm.

Your Committee received written comments in support of this measure from the Board of Public Accountancy.

Your Committee finds that this measure will ensure the continuation of quality work performed by public accountability peer reviewers and their oversight 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. 1669, 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 (English, Inouye).

SCRep. 3349 Ways and Means on H.B. No. 2277

The purpose and intent of this measure is to assist the King Kamehameha Celebration Commission in performing its duties.

Specifically, this measure:

- (1) Amends the list of organizations from whom the Governor may appoint individuals to serve as members of the King Kamehameha Celebration Commission;
- (2) Amends the qualifications for commission members;
- (3) Authorizes the appointment of an advisory committee;
- (4) Provides for the appointment of an Executive Director; and
- (5) Clarifies the role and authority of the King Kamehameha Celebration Commission.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services, Aha Moku Advisory Committee, and the King Kamehameha Celebration Commission.

Your Committee finds that this measure provides necessary updates to the law that governs the King Kamehameha Celebration Commission and will augment the Commission’s ability to execute its 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. 2277, 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 (English, Inouye, Slom).

SCRep. 3350 Ways and Means on H.B. No. 1608

The purpose and intent of this measure is to appropriate funds to the University of Hawaii for the Graduation Pathway System for fiscal year 2016-2017.

Your Committee received written comments in support of this measure from the University of Hawaii System.

Your Committee finds that the University of Hawaii’s Graduation Pathway System helps guide students toward timely graduation. Expanding the system to meet its next milestones will require additional technical work, including the programming of academic maps into the system. Continuing to build and improve the system will enhance the University’s capacity to track and advise students in their progress toward graduation.

Your Committee notes that, as originally introduced, the measure contained an appropriation of \$550,000 for the Graduation Pathway System for fiscal year 2016-2017.

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 H.B. No. 1608, 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 (English, Taniguchi).

SCRep. 3351 Ways and Means on H.B. No. 1684

The purpose and intent of this measure is to exempt the operations of the Natural Energy Laboratory of Hawaii Authority from the fifteen-year lease term limit on concessions or concession space on public property.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Natural Energy Laboratory of Hawaii Authority.

Your Committee finds that the Natural Energy Laboratory of Hawaii Authority is a self-sufficient agency attached to the Department of Business, Economic Development, and Tourism. Currently, the lease of concessions or concession space on public land may not exceed fifteen years. The Authority operates the Hawaii Ocean Science and Technology Park on approximately eighty acres of public land in Kailua-Kona on the island of Hawaii. The plans for this park are to develop a large commercial and industrial complex or mall. However, a significant portion of this land is underdeveloped, as it is on barren lava, which requires an investment of over \$50,000 to grade a single acre. Your Committee believes that it is unlikely that the Authority can find a developer willing to develop this area at such a significant cost if the Authority may not offer a lease of more than fifteen years. Your Committee further believes that exempting the Authority from the fifteen-year limit will facilitate the ability of the Authority to find developers for the area.

As affirmed by the record of votes of the members 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. 1684, 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 (English, Galuteria).

SCRep. 3352 Ways and Means on H.B. No. 2059

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist RCFC Kehalani, LLC, with Kehalani offsite retention basin improvement work.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the American Society of Civil Engineers. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that Kehalani offsite retention basin serves as a storm retention basin for the Kehalani subdivision and receives mauka offsite flows in addition to those from the subdivision. Your Committee further finds that construction on the basin began in 2003 and is still not completed. Your Committee also finds that due to its location, the basin is classified as a high hazard structure, which is defined as a dam or reservoir whose failure will result in the probable loss of human life. Accordingly, your Committee finds that this measure will assist the dam owner to bring the facility into compliance with safety standards and reduce the risk of dam failure.

Your Committee finds that Kehalani offsite retention basin constitutes a project as defined in Act 147, Session Laws of Hawaii 2012, and the financing thereof is assistance to dam and reservoir owners. Your Committee also finds that the issuance of special purpose revenue bonds for the purpose of this measure 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 H.B. No. 2059, 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 (English, Harimoto).

SCRep. 3353 Ways and Means on H.B. No. 2198

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to provide financing to assist West Maui Investors, LLC, with two Ukumehame reservoirs.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the American Society of Civil Engineers. Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Ukumehame reservoir numbers 2 and 3 are earthen embankment dams constructed side-by-side along the bottom of the western slope of the Ukumehame Gulch and are regulated as one dam and reservoir facility by the Department of Land and Natural Resources. Your Committee further finds that following the discovery of a major leak from Ukumehame reservoir number 3 in 2008, the water level in both reservoir numbers 2 and 3 were drawn down to minimize the risk of failure, and the owners modified portions of the water system to bypass reservoir numbers 2 and 3. Your Committee also finds, however, that the reservoir owners still need to implement remediation work that would address public safety.

Your Committee finds that Ukumehame reservoir numbers 2 and 3 constitute a project as defined in Act 147, Session Laws of Hawaii 2012, and the financing thereof is assistance to dam and reservoir owners. Your Committee also finds that the issuance of special purpose revenue bonds for the purpose of this measure 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 H.B. No. 2198, 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 (English, Harimoto).

SCRep. 3354 Ways and Means on H.B. No. 2744

The purpose and intent of this measure is to increase funding for affordable rental housing development.

Specifically, this measure:

- (1) Increases the aggregate state housing credit dollar amount available for award annually;
- (2) Bases the amount of the state low-income housing tax credit, for qualified low-income buildings that receive an allocation after December 31, 2016, on whether or not a building is financed by tax-exempt bonds;
- (3) Amends the state low-income housing tax credit by reducing the applicable credit period from ten years to five years;
- (4) Limits the total amount of state low-income housing tax credits that may be claimed over a ten-year period; and
- (5) Deletes provisions of the state low-income housing tax credit that required the application of Internal Revenue Code sections related to at-risk rules and limitation of passive activity losses and credits.

Your Committee received written comments in support of this measure from the Building Industry Association of Hawaii; Catholic Charities Hawaii; Chamber of Commerce Hawaii; Hawaii Association of Realtors; Hawaii Laborers-Employers Cooperation and Education Trust; Land Use Research Foundation of Hawaii; Stanford Carr Development, LLC; and one individual.

Your Committee received comments on this measure from the Department of Taxation and Hawaii Housing Finance and Development Corporation.

Your Committee finds that the development of low-income affordable housing is necessary to address the issue of homelessness and to respond to the critical shortage of affordable housing inventory in the State. Your Committee also finds that increasing the investment attractiveness of the state low-income housing tax credit would generate more equity to finance the development of affordable rental housing projects.

Your Committee notes that this measure originally had an effective date of July 1, 2017. Your Committee further notes that, using the original effective date, the Department of Taxation estimates that this measure will result in revenue losses of \$9,000,000 in fiscal year 2019, \$18,000,000 in fiscal year 2020, and \$27,000,000 in fiscal year 2021.

As affirmed by the record of votes of the members 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. 2744, 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 (English, Inouye, Slom).

SCRep. 3355 Ways and Means on H.B. No. 2593

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist the development of food crop, animal feed, energy production, and waste recovery facilities on Oahu.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Hawaii Renewable Resources, LLC, and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Hawaii Renewable Resources, LLC, has proposed to develop and operate a project on approximately ninety acres of agricultural land on Central Oahu that will, among other things, support food sustainability and renewable energy. Your Committee believes assisting Hawaii Renewable Resources, LLC, with the development of this project through the issuance of special purpose revenue bonds will benefit and strengthen the long-term prospects of the State's energy and agriculture industries, and is in the best interest of 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 is in accord with the intent and purpose of H.B. No. 2593, 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 (English, Harimoto).

SCRep. 3356 Ways and Means on H.B. No. 1627

The purpose and intent of this measure is to facilitate the enforcement of regulations governing medical professions and occupations in the State.

Specifically, this measure:

- (1) Requires the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs to establish a division that specializes in the investigation of medical cases involving regulated professions and occupations; and
- (2) Appropriates funds from the compliance resolution fund for field investigators and a staff attorney who specialize in medical cases.

Your Committee received written comments in support of this measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and the Hawaii Medical Association.

Your Committee finds that the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs enforces various regulations governing professions and occupations that are licensed in the State. As part of its duties, the Regulated Industries Complaints Office investigates allegations of professional misconduct by licensees and any possible unlicensed activity that may be occurring in the State. Your Committee also finds that enforcement of certain professional and occupational regulations can be especially challenging when those professions and occupations involve complex medical issues and scopes of practice that are widely

varied. Despite the Regulated Industries Complaints Office's critical role in protecting consumers, the office lacks investigators with specialized experience or expertise in medical issues.

Your Committee notes that the Department of Commerce and Consumer Affairs estimates that the additional positions proposed by this measure would require an appropriation of \$562,650.

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 H.B. No. 1627, 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. 1627, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Inouye).

SCRep. 3357 Ways and Means on H.B. No. 2034

The purpose and intent of this measure is to ensure that the Kaho'olawe Island Reserve Commission has the necessary resources to effectively meet the unique challenges of restoring, preserving, and determining the appropriate uses of the Kaho'olawe Island Reserve.

Specifically, this measure:

- (1) Requires the Kaho'olawe Island Reserve Commission to submit a financial self-sufficiency and sustainability plan, including any proposed legislation, to the legislature no later than twenty days prior to the convening of the regular session of 2017; and
- (2) Appropriates \$600,000 to the Kaho'olawe Island Reserve Commission for its projects.

Your Committee received written comments in support of this measure from the Chair of the Kaho'olawe Island Reserve Commission; the Kaho'olawe Island Reserve Commission; Aha Moku Advisory Committee; one member of the Maui County Council; Conservation Council for Hawaii; and forty-seven individuals.

Your Committee received written comments on this measure from one individual.

Your Committee recognizes that the Kaho'olawe Island Reserve is of significant cultural and historic importance, and that the Kaho'olawe Island Reserve Commission is responsible for overseeing the use and restoration of the reserve. Your Committee finds that the Kaho'olawe rehabilitation trust fund is the predominant funding source of the Kaho'olawe Island Reserve Commission. However, the Auditor's 2013 fiscal audit of the trust fund predicted that it will be depleted by 2016, and that the Kaho'olawe Island Reserve Commission lacks a comprehensive and quantifiable restoration plan with performance measures to gauge the fulfillment of objectives. Your Committee finds that this measure will ensure that the Kaho'olawe Island Reserve Commission fulfills its important duties in the management and control of the Kaho'olawe Island Reserve.

Your Committee notes that the Kaho'olawe Island Reserve Commission has requested an appropriation of \$600,000 for the purposes of this measure.

To facilitate further discussion on this measure, your Committee has amended the measure by changing:

- (1) The appropriation from \$600,000 to an unspecified amount; and
- (2) The effective date to July 1, 2076.

As affirmed by the record of votes of the members 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. 2034, 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. 2034, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3358 Ways and Means on H.B. No. 493

The purpose and intent of this measure is to authorize the appropriation of funds for an associate/full professor position and an assistant/associate specialist position within the University of Hawaii Center on Aging.

Your Committee received written comments in support of this measure from the University of Hawaii at Manoa; Hawaii Alliance for Retired Americans; Hawaii Family Caregiver Coalition; Policy Advisory Board for Elder Affairs; and five individuals.

Your Committee finds that the University of Hawaii Center on Aging is a key partner in the aging network and provides consultation, research, and program development and evaluation in collaboration with government and service providers. Your Committee further finds that the development of Hawaii's workforce to care for and address the needs of older adults has not kept pace with the growing population of kupuna. Your Committee believes that the University of Hawaii Center on Aging has recognized this workforce gap and will be well-equipped to address this issue with the two faculty positions funded by this measure.

Your Committee has amended this measure by changing:

- (1) The appropriation to fund the full-time equivalent (1.0 FTE) assistant/associate specialist position from \$75,924 to \$88,596; and

(2) 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. 493, 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. 493, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Wakai).

SCRep. 3359 (Majority) Ways and Means on H.B. No. 1703

The purpose and intent of this measure is to improve the resources for student mental health treatment at the University of Hawaii at Manoa by appropriating funds for additional mental health care professionals.

Your Committee received written comments in support of this measure from the University of Hawaii System, the Associated Students of the University of Hawaii, the University of Hawaii Student Caucus, and six individuals.

Your Committee finds that, in recent years, college students nationwide have reported increased levels of anxiety and depression. Your Committee further finds that the University of Hawaii at Manoa provided mental health services to approximately 1,300 students during the 2014-2015 school year. However, due to high demand for services, some students with non-urgent mental health care needs were placed on the waitlist for services. Your Committee finds that increasing the number of psychologists and case managers available to assist students will help alleviate the current heavy workload of the Counseling and Student Development Center and increase the University's capacity to assist students through proactive educational efforts.

Your Committee notes that the University of Hawaii has requested 3.00 full-time equivalent psychologist positions at a total estimated cost of \$265,788, and 1.00 full-time equivalent case manager position at an estimated cost of \$75,924.

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. 1703, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1703, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Slom). Excused, 2 (English, Taniguchi).

SCRep. 3360 Ways and Means on H.B. No. 2675

The purpose and intent of this measure is to appropriate funds for research to combat rapid ohia death.

Your Committee received written comments in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Aha Moku Advisory Committee, Oahu Invasive Species Committee, Conservation Council for Hawaii, Coordinating Group on Alien Pest Species, Hawaii Farm Bureau, The Nature Conservancy, and five individuals.

Your Committee notes that the ohia is Hawaii's most common and widespread native tree. Ohia trees can be found at various elevations and provide critical habitats for rare and endangered native birds and insects. Your Committee finds that, in recent years, the disease known as rapid ohia death, caused by the non-native fungal pathogen *Ceratocystis fimbriata*, has been killing ohia trees in the forests and residential areas of Puna and Hilo on the island of Hawaii. As of 2014, approximately fifteen thousand acres on the island of Hawaii have shown greater than fifty per cent mortality from rapid ohia death. Recent estimates have found that the disease has affected thirty thousand acres on the island of Hawaii. Your Committee further finds that rapid ohia death has the potential to destroy ohia trees statewide, which would be catastrophic to the diversity, structure, and function of the State's remaining native forests.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation from \$600,000 to an unspecified amount;
- (2) Correcting the reference to the Agricultural Research Service to indicate that it is part of the United States Department of Agriculture; 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 H.B. No. 2675, 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. 2675, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3361 Ways and Means on H.B. No. 2721

The purpose and intent of this measure is to address the management of Lipoa Point on the island of Maui.

Specifically, this measure:

- (1) Requires the Department of Land and Natural Resources to implement a management plan, developed by the Hawaiian Islands Land Trust, for Lipoa Point; and
- (2) Appropriates funds to maintain and protect the area, develop a master plan, and prepare an environmental impact statement.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources and the Aha Moku Advisory Committee.

Your Committee finds that, pursuant to Act 241, Session Laws of Hawaii 2013, the Department of Land and Natural Resources acquired a parcel of land located at Lipoa Point, identified as Tax Map Key No. (2) 4-1-001:010, from Maui Land and Pineapple Company, Inc. Your Committee also finds that the Department of Land and Natural Resources lacks the funding necessary to develop a master plan and environmental impact statement or to secure and maintain such a vast area. Your Committee notes that the Department of Land and Natural Resources has requested an appropriation of \$1,225,000 to fund, among other things, three full-time equivalent (3.0 FTE) Conservation and Resources Enforcement Officer III positions.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount and the number of conservation and resources enforcement officer positions to unspecified amounts; 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. 2721, 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. 2721, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3362 Ways and Means on H.B. No. 2741

The purpose and intent of this measure is to appropriate an unspecified amount of general funds to the State Foundation on Culture and the Arts to establish an Arts in the Military program.

Your Committee received written comments in support of this measure from the Department of Defense State Office of Veterans' Services and the State Foundation on Culture and the Arts.

Your Committee finds that participation in the arts accelerates a returning military veteran's ability to transition to civilian life. Your Committee finds that the 2015 federal budget bill includes language encouraging states to support military arts programs. These funds will be used to obtain federal grant funding, which requires a one-to-one match with state funds, for initiatives involving arts in the military.

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. 2741, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2741, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Wakai).

SCRep. 3363 Ways and Means on H.B. No. 1046

The purpose and intent of this measure is to provide a procedure for persons who are actually innocent of crimes for which they were convicted and imprisoned to seek compensation from the State.

Your Committee received written comments in support of this measure from the Department of the Attorney General, a Maui County Councilmember, American Civil Liberties Union of Hawaii, Community Alliance on Prisons, Innocence Project, Hawaii Friends of Restorative Justice, and three individuals.

Your Committee finds that innocent persons who have been wrongly convicted of crimes and subsequently imprisoned have been uniquely victimized. These persons face distinct challenges upon re-entering society and have difficulty achieving legal redress due to a variety of substantive and technical obstacles in the law. Your Committee finds that these individuals deserve a process of redress over and above the existing tort remedies to seek compensation for damages from the jurisdiction that wrongly convicted and imprisoned them.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 1046, 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. 1046, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3364 Ways and Means on H.B. No. 2247

The purpose and intent of this measure is to authorize the State and counties to pay the approved travel costs incurred by respective officers or employees for official state or county business directly to either the vendor providing the goods or services or the officer or employee by cash advance prior to the date of purchase.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association.

Your Committee finds that work-related travel can be a financial burden when a state or county officer or employee must wait to be reimbursed for approved travel costs. This measure will provide flexibility and facilitate work-related travel by officers and employees by authorizing payment for approved travel costs directly to a vendor or to the officer or employee by cash advance.

Your Committee has amended this measure by making a technical amendment for purposes of accuracy.

As affirmed by the record of votes of the members 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. 2247, 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. 2247, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3365 Ways and Means on H.B. No. 210

The purpose and intent of this measure is to appropriate funds for a grant-in-aid for the career criminal prosecution unit of the Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee received written comments in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that a relatively small number of career criminals who are multiple and repeat felony offenders commit a substantial and disproportionate number of serious crimes. The career criminal prosecution program was established to support efforts to prosecute those individuals, and your Committee finds that funding the program is in the public interest.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 210, 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. 210, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Wakai).

SCRep. 3366 Ways and Means on H.B. No. 1404

The purpose and intent of this measure is to appropriate moneys as a grant-in-aid for the Career Criminal Prosecution Unit in the County of Hawaii Office of the Prosecuting Attorney.

Your Committee received written comments in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that the Career Criminal Prosecution Program was established in 1979 to support increased efforts by prosecuting attorneys' offices to prosecute career criminals through organizations and operational techniques proven effective in other states. This program was previously an annually funded program. Your Committee believes that money spent on Career Criminal Prosecution Units is an efficient use of public funds, as career criminals commit a disproportionate number of serious crimes against the public, and these Units are in the best position to provide swift justice and protect the public from career criminals.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 1404, 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. 1404, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Harimoto, Wakai).

SCRep. 3367 Ways and Means on H.B. No. 2156

The purpose and intent of this measure is to reform the campaign finance laws relating to the use of campaign funds and the financing of the Campaign Spending Commission's operations.

Specifically, the measure:

- (1) Increases the options available to candidate committees and noncandidate committees in their use and disposition of campaign funds; and
- (2) Repeals the use of the Hawaii election campaign fund for the operating expenses of the Campaign Spending Commission.

Additionally, this measure transfers excess funds from the campaign spending trust fund to the general fund and appropriates general funds to the Campaign Spending Commission for operating expenses.

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 Accounting and General Services, Common Cause Hawaii, League of Women Voters, and four individuals. Written comments were received from the State Campaign Spending Commission and two individuals.

Your Committee finds that this measure will encourage candidate and noncandidate committees to promote community interests.

Your Committee has amended this measure by:

- (1) Deleting Section 4, which transferred excess funds from the campaign spending trust fund to the general fund; and
- (2) Changing the effective date to July 1, 2076, 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. 2156, 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. 2156, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3368 Ways and Means on H.B. No. 1774

The purpose and intent of this measure is to provide funding for outreach services to the homeless.

Specifically, this measure appropriates:

- (1) An unspecified sum to the Department of Human Services for outreach to homeless individuals and families with children; and
- (2) \$300,000 to the Office of Youth Services of the Department of Human Services for outreach to unaccompanied homeless youth.

Your Committee received written comments in support of this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Office of Youth Services, Hawaii Youth Services Network, Community Alliance on Prisons, American Civil Liberties Union of Hawaii, Catholic Charities Hawaii, Hale Kipa, Hawaii Friends of Restorative Justice, PHOCUSED, the CHOW Project, Ali'i Pauahi Hawaiian Civic Club and Living Life Source Foundation, Hawaii Children's Action Network, and four individuals.

Your Committee finds that strategic, coordinated outreach is needed to properly serve the growing percentage of homeless persons who are not living in shelter programs and unaccompanied homeless youth.

Your Committee notes that the original version of this measure authorized a \$1,700,000 appropriation for outreach to homeless individuals and families with children, in addition to the \$300,000 appropriation for outreach to unaccompanied homeless youth. To facilitate further discussion on this measure, your Committee has amended the measure by changing:

- (1) The \$300,000 appropriation for outreach to unaccompanied homeless youth to an unspecified amount; and
- (2) The effective date to July 1, 2050.

As affirmed by the record of votes of the members 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. 1774, 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. 1774, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3369 Ways and Means on H.B. No. 2582

The purpose and intent of this measure is to support Hawaii's agricultural industry and assist farmers and ranchers subject to the requirements of the FDA Food Safety Modernization Act.

Specifically, this measure:

- (1) Establishes within the Department of Agriculture an agricultural food safety certification program that will concurrently satisfy the requirements of the Department of Agriculture and the FDA Food Safety Modernization Act;
- (2) Appropriates funds for the development and implementation of the certification program; and
- (3) Authorizes and appropriates funds for program staff.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, and North Shore Economic Vitality Partnership.

Your Committee finds that the purpose of the FDA Food Safety Modernization Act is to ensure that the United States food supply is safe by shifting the focus from responding to contamination to preventing it. Your Committee also finds that it may be difficult for farmers and ranchers in the State to comply with the requirements of the FDA Food Safety Modernization Act. Your Committee believes that this measure will support Hawaii's agricultural industry by assisting farmers and ranchers with FDA Food Safety Modernization Act compliance.

Your Committee has amended this measure by changing the amount of the appropriation of the development and implementation of the certification program from \$200,000 to an unspecified amount to facilitate further discussion.

Your Committee notes that the appropriation to fund the certification program staff positions is for an unspecified amount. Should this measure be deliberated further, your Committee requests that the Department of Agriculture provide the appropriation amount necessary to fund the program staff positions proposed 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. 2582, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2582, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3370 Ways and Means on H.B. No. 2466

The purpose and intent of this measure is to repeal, abolish, or amend various non-general funds pursuant to the recommendations made by the Auditor in Auditor's Report No. 15-17.

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 deleted the contents of the H.D. 1, and inserted provisions that require the Department of Budget and Finance to conduct a study on the distribution of the cigarette tax revenues.

Your Committee received testimony in support of the H.D. 1 from the Office of the Auditor.

Your Committee received testimony in opposition to the H.D. 1 from Active Hawaii, Malama I Ke Ola Health Center, Domestic Violence Action Center, Hana Health, Hawaii Primary Care Association, Hawaii State Coalition Against Domestic Violence, Hoola Lahui Hawaii, Kokua Kalihi Valley Comprehensive Family Services, Lanai Community Health Center, March of Dimes Hawaii Chapter, Violence Prevention Task Force, Waianae Coast Comprehensive Health Center, Waikiki Health, Waimanalo Health Center, and twenty-one individuals.

Your Committee received comments on the H.D. 1 from the Department of Health, Tax Foundation of Hawaii, Sex Abuse Treatment Center, and one individual.

Your Committee received testimony in support of the Proposed Draft from the Department of Health, Malama I Ke Ola Health Center, Hana Health, Hawaii Primary Care Association, Kokua Kalihi Valley Comprehensive Family Services, Lanai Community Health Center, Sex Abuse Treatment Center, Waianae Coast Comprehensive Health Center, Waikiki Health, Waimanalo Health Center, and seven individuals.

Your Committee received comments on the Proposed Draft from the Department of Budget and Finance, Tax Foundation of Hawaii, and Hawaii ACEP.

Your Committee finds that due to efforts made by the Department of Health to reduce smoking in Hawaii, cigarette tax revenues are decreasing. Requiring the Department of Health and the Department of Budget and Finance to conduct a study on the declining revenues and make recommendations on how to address the shortfalls will help to ensure that the programs supported by cigarette tax revenues are prepared to obtain alternative means of financing that will sustain or increase program operations and effectiveness.

Your Committee requests that, in conducting the study, the Department of Health and the Department of Budget and Finance consider and identify alternative means of financing at a level that will sustain or increase the operations and effectiveness for programs that receive cigarette tax revenues; and include an assessment of future tobacco product utilization, including estimates of resources or efforts to mitigate the impacts of those sources.

Your Committee has amended this measure by adopting the Proposed Draft and amending it further by requiring the Department of Health to conduct the study jointly with the Department of Budget and 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 is in accord with the intent and purpose of H.B. No. 2466, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2466, 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, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3371 Ways and Means on H.B. No. 2217

The purpose and intent of this measure is to amend and repeal statutory real property tax provisions that are no longer valid or necessary.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee recognizes that article VIII, section 3, of the state constitution provides that the taxation of real property in the State has been transferred to the several counties. Your Committee finds that pursuant to the Supreme Court of Hawaii's decision in *State ex rel. Anzai v. City & County of Honolulu*, 99 Hawaii 508, 57 P.3d 433 (2002), the need for numerous provisions in the Hawaii Revised Statutes governing the taxation of real property in the State lapsed, and those provisions are no longer of any force or effect. Your Committee therefore finds that this measure is necessary to repeal obsolete or unnecessary statutory real property tax provisions.

Your Committee has amended this measure by:

- (1) Inserting a new section that repeals section 205-14, Hawaii Revised Statutes, which currently requires the Department of Taxation, when assessing real property within a land use district, to consider uses of the property; and
- (2) Changing the effective date of the measure 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 H.B. No. 2217, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2217, 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, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3372 Ways and Means on H.B. No. 1543

The purpose and intent of this measure is to authorize the issuance of general obligation bonds to finance appropriations contained in Acts of the Legislature for which the means of funding are designated as general obligation bond funds or reimbursable general obligation bond funds.

Your Committee received testimony in support of this measure from the Department of Budget and Finance.

Your Committee finds that this measure makes findings required under article VII, section 13, of the state constitution to declare that the issuance of authorized bonds will not cause the debt limit to be exceeded.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 1543, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1543, 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, Galuteria, Slom).

SCRep. 3373 Commerce, Consumer Protection, and Health on H.B. No. 1705

The purpose and intent of this measure is to allow proof of motor vehicle, motorcycle, and motor scooter insurance to be displayed in electronic format on a mobile electronic device.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Hawaii Insurers Council, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America, GEICO, State Farm Mutual Automobile Insurance Company, USAA, and one individual.

Your Committee finds that more states are recognizing the widespread use of mobile technology and updating motor vehicle insurance laws accordingly. According to testimony received by your Committee, the vast majority of states in the country now permit drivers to use an electronic copy of their insurance card as valid proof of insurance. The acceptance of this technology has grown rapidly since March 2012, when Idaho became the first state in the country to accept electronic motor vehicle insurance cards.

Your Committee further finds that customers increasingly use mobile electronic devices to keep track of and maintain important personal information. Accordingly, this measure authorizes owners and drivers of motor vehicles, motorcycles, and motor scooters in Hawaii to display proof of insurance in electronic format on a mobile electronic device and offers the option of electronic cards to be used as proof of insurance in the same situations where paper cards are currently accepted.

Your Committee notes that since the intent of this measure is to ensure that consumers have the option to produce proof of insurance in either paper or electronic format, a more straightforward solution is to amend existing law relating to verification of insurance and permit insurers to issue paper or electronic insurance identification cards that can be used as proof of insurance. Clarifying amendments to this measure are therefore necessary.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that every insurer shall issue to its insureds a paper or electronic motor vehicle insurance identification card for each insured motor vehicle and a paper or electronic proof of insurance card for each insured motorcycle or motor scooter;
- (2) Authorizing the electronic motor vehicle insurance identification card or the electronic proof of insurance card for motorcycles and motor scooters to be accessed directly through the licensed insurer's website, application, or database;
- (3) Clarifying that the insurance identification card or proof of insurance card shall be in the insured motor vehicle or carried on the person operating the insured motorcycle or motor scooter or accessible on a mobile electronic device at all times and shall be exhibited to a law enforcement officer upon demand;
- (4) Removing unnecessary language in certain sections of chapter 286, Hawaii Revised Statutes, that would have permitted an owner of a vehicle to display a motor vehicle insurance identification card or proof of insurance card for the purposes of state inspections or driver's application examinations, as language in this amended measure permits electronic cards to be used as proof of motor vehicle insurance in the same situations where paper cards are currently accepted, including state inspections and driver's application examinations; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1705, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1705, 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, Slom).

SCRep. 3374 Ways and Means on S.C.R. No. 37

The purpose and intent of this measure is to encourage the Hawaii Tourism Authority and State Historic Preservation Division of the Department of Land and Natural Resources to work with community organizations to assist in and support the establishment of historical markers and trails.

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 Land and Natural Resources.

Your Committee finds that one of the principal objectives of cultural heritage tourism is collaboration with local organizations and the public to develop sustainable economies. Increased tourism in rural areas creates jobs and new business opportunities, and strengthens local economies so that residents may live, work, and play within their community. Your Committee notes that historical trails and walking tours have been created in Waikiki, Haleiwa, and Lahaina to increase cultural heritage tourism. These cultural activities and attractions have been utilized by community stakeholders to identify historic individuals or landmarks, encourage pedestrian traffic, and improve the local economy in these areas.

Your Committee has amended this measure by:

- (1) Deleting references to the State Historic Preservation Division and replacing them with references to the Department of Land and Natural Resources; and
- (2) Adding a request that the Hawaii Tourism Authority and the Department of Land and Natural Resources seek private, county, or federal revenue sources for this project.

As 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. 37, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 37, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 3375 Ways and Means on S.R. No. 17

The purpose and intent of this measure is to encourage the Hawaii Tourism Authority and State Historic Preservation Division of the Department of Land and Natural Resources to work with community organizations to assist in and support the establishment of historical markers and trails.

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 Land and Natural Resources.

Your Committee finds that one of the principal objectives of cultural heritage tourism is collaboration with local organizations and the public to develop sustainable economies. Increased tourism in rural areas creates jobs and new business opportunities, and strengthens local economies so that residents may live, work, and play within their community. Your Committee notes that historical trails and walking tours have been created in Waikiki, Haleiwa, and Lahaina to increase cultural heritage tourism. These cultural activities and attractions have been utilized by community stakeholders to identify historic individuals or landmarks, encourage pedestrian traffic, and improve the local economy in these areas.

Your Committee has amended this measure by:

- (1) Deleting references to the State Historic Preservation Division and replacing them with references to the Department of Land and Natural Resources; and
- (2) Adding a request that the Hawaii Tourism Authority and the Department of Land and Natural Resources seek private, county, or federal revenue sources for this project.

As 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. 17, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 17, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Taniguchi, Wakai).

SCRep. 3376 Public Safety, Intergovernmental, and Military Affairs on S.C.R. No. 61

The purpose and intent of this measure is to further community resilience and prompt, effective response to disasters by encouraging the Department of Education to promote increased participation by schools in the Community Emergency Response Team program.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board and two individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Community Emergency Response Team (CERT) is a federally-sponsored program that provides training to the public in disaster preparedness, disaster fire suppression, basic medical operations, and light search and rescue operations. The CERT program is currently administered by the counties, and the training is free. Schools may arrange for CERT training for their students, and some high schools within the State have already participated in the program. Your Committee finds that increased participation in the CERT program by schools would benefit local communities and the State as a whole.

Your Committee further finds that individuals with disabilities have participated in the CERT program in the past, and your Committee encourages the Department of Education to include students with disabilities in CERT training activities that take place at Department of Education schools.

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. 61 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3377 Public Safety, Intergovernmental, and Military Affairs on S.R. No. 33

The purpose and intent of this measure is to further community resilience and prompt, effective response to disasters by encouraging the Department of Education to promote increased participation by schools in the Community Emergency Response Team program.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board and two individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that the Community Emergency Response Team (CERT) is a federally-sponsored program that provides training to the public in disaster preparedness, disaster fire suppression, basic medical operations, and light search and rescue operations. The CERT program is currently administered by the counties, and the training is free. Schools may arrange for CERT training for their students, and some high schools within the State have already participated in the program. Your Committee finds that increased participation in the CERT program by schools would benefit local communities and the State as a whole.

Your Committee further finds that individuals with disabilities have participated in the CERT program in the past, and your Committee encourages the Department of Education to include students with disabilities in CERT training activities that take place at Department of Education schools.

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. 33 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 3378 Ways and Means on S.C.R. No. 68

The purpose and intent of this measure is to urge the Office of Hawaiian Affairs to develop a plan for the former Galbraith Estate for the purposes and objectives established in Act 31, Session Laws of Hawaii 2015.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs.

Your Committee finds that the State purchased over one thousand seven hundred acres of agricultural land from the Galbraith Estate for \$25,000,000. Five hundred eleven of these acres were provided to the Office of Hawaiian Affairs. Your Committee also finds that Act 31, Session Laws of Hawaii 2015, updated the State's agricultural planning statute to include 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 believes that the agricultural land on the former Galbraith Estate would be best used to further the agricultural objectives of the State and could be used to further the Office of Hawaiian Affairs' goals and objectives of contributing to food self-sufficiency.

As 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. 68 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3379 Ways and Means on S.R. No. 39

The purpose and intent of this measure is to urge the Office of Hawaiian Affairs to develop a plan for the former Galbraith Estate for the purposes and objectives established in Act 31, Session Laws of Hawaii 2015.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs.

Your Committee finds that the State purchased over one thousand seven hundred acres of agricultural land from the Galbraith Estate for \$25,000,000. Five hundred eleven of these acres were provided to the Office of Hawaiian Affairs. Your Committee also finds that Act 31, Session Laws of Hawaii 2015, updated the State's agricultural planning statute to include 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 believes that the agricultural land on the former Galbraith Estate would be best used to further the agricultural objectives of the State and could be used to further the Office of Hawaiian Affairs' goals and objectives of contributing to food self-sufficiency.

As 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. 39 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3380 Ways and Means on S.C.R. No. 97

The purpose and intent of this measure is to urge the State to establish the Puuhonua Program in the Department of Public Safety for the continued rehabilitation of post-incarcerated persons, parolees, and probationers.

Your Committee received written comments in support of this measure from the Aha Moku Advisory Committee of the Department of Land and Natural Resources, 'Ohana Ho'opakele, and five individuals.

Your Committee received written comments on this measure from the Department of Public Safety.

Your Committee finds that the Puuhonua Program proposed by this measure would emulate the puuhonua of ancient Hawaii, which were sites designated as safe and inviolable, where women and children, old or ailing men in times of war, vanquished warriors, and fleeing criminals could take temporary refuge. Men and women who have been incarcerated and released may benefit from the

Puuhonua Program, which would apply the puuhonua concept to support post-incarcerated persons, parolees, and probationers in their transition to society in the modern world.

As 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. 97 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3381 Ways and Means on S.R. No. 65

The purpose and intent of this measure is to urge the State to establish the Puuhonua Program in the Department of Public Safety for the continued rehabilitation of post-incarcerated persons, parolees, and probationers.

Your Committee received written comments in support of this measure from the Aha Moku Advisory Committee of the Department of Land and Natural Resources, 'Ohana Ho'opakele, and five individuals.

Your Committee received written comments on this measure from the Department of Public Safety.

Your Committee finds that the Puuhonua Program proposed by this measure would emulate the puuhonua of ancient Hawaii, which were sites designated as safe and inviolable, where women and children, old or ailing men in times of war, vanquished warriors, and fleeing criminals could take temporary refuge. Men and women who have been incarcerated and released may benefit from the Puuhonua Program, which would apply the puuhonua concept to support post-incarcerated persons, parolees, and probationers in their transition to society in the modern world.

As 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. 65 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3382 Ways and Means on S.C.R. No. 96

The purpose and intent of this measure is to establish an Ali'i Memorial Art Advisory Task Force to discuss ways to honor Hawaiian ali'i.

More specifically, the measure requests the task force to discuss:

- (1) Placement of the Spirit of Lili'uokalani statue to best exemplify Queen Lili'uokalani's majesty; and
- (2) Commissioning permanent works of art commemorating King Kamehameha I, King Kamehameha II (Liholiho), King Kamehameha III (Kauikeaouli), King Kamehameha IV (Alexander Liholiho), King Kamehameha V (Lot Kapu'iwa), King Lunalilo, King Kalakaua, and Queen Lili'uokalani with their likeness and descriptions and including kahili and pulo'ulo'u as symbols of rank and appropriate lighting for security and enhancement of the art.

Your Committee received written comments in support of this measure from the Prince Kuhio Hawaiian Civic Club. Your Committee received written comments on this measure from the State Foundation on Culture and the Arts.

Your Committee finds that it is appropriate to evaluate ways to remember and honor the ali'i of the Hawaiian Kingdom, who are a source of pride for the State and, particularly, the Hawaiian people.

Your Committee has amended this measure by providing that the Chairperson of the Board of Trustees of the Office of Hawaiian Affairs, rather than the Administrator of the same, shall be requested to be a member of the task force, as provided in the original version of 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. 96, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 96, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3383 Ways and Means on S.R. No. 64

The purpose and intent of this measure is to establish an Ali'i Memorial Art Advisory Task Force to discuss ways to honor Hawaiian ali'i.

More specifically, the measure requests the task force to discuss:

- (1) Placement of the Spirit of Lili'uokalani statue to best exemplify Queen Lili'uokalani's majesty; and
- (2) Commissioning permanent works of art commemorating King Kamehameha I, King Kamehameha II (Liholiho), King Kamehameha III (Kauikeaouli), King Kamehameha IV (Alexander Liholiho), King Kamehameha V (Lot Kapu'iwa), King Lunalilo, King Kalakaua, and Queen Lili'uokalani with their likeness and descriptions and including kahili and pulo'ulo'u as symbols of rank and appropriate lighting for security and enhancement of the art.

Your Committee received written comments in support of this measure from the Prince Kuhio Hawaiian Civic Club. Your Committee received written comments on this measure from the State Foundation on Culture and the Arts.

Your Committee finds that it is appropriate to evaluate ways to remember and honor the ali'i of the Hawaiian Kingdom, who are a source of pride for the State and, particularly, the Hawaiian people.

Your Committee has amended this measure by providing that the Chairperson of the Board of Trustees of the Office of Hawaiian Affairs, rather than the Administrator of the same, shall be requested to be a member of the task force, as provided in the original version of 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.R. No. 64, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 64, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3384 Ways and Means on S.C.R. No. 54

The purpose and intent of this measure is to request the Department of Transportation to conduct a study on the feasibility and advisability of adopting the Screening Partnership Program of the Transportation Security Administration (TSA).

Your Committee received written comments in support of this measure from the Department of Transportation.

Your Committee finds that the TSA's Screening Partnership Program contracts security screening services at commercial airports to qualified private companies, which run screening operations under federal oversight and in compliance with all TSA security screening procedures. The Screening Partnership Program is intended to ensure that participating airports provide services that meet TSA security and performance standards, while maximizing cost savings for taxpayers. Your Committee also finds that, as of April 2015, twenty-one airports throughout the United States have joined the Screening Partnership 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. 54 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3385 Ways and Means on S.R. No. 28

The purpose and intent of this measure is to request the Department of Transportation to conduct a study on the feasibility and advisability of adopting the Screening Partnership Program of the Transportation Security Administration (TSA).

Your Committee received written comments in support of this measure from the Department of Transportation.

Your Committee finds that the TSA's Screening Partnership Program contracts security screening services at commercial airports to qualified private companies, which run screening operations under federal oversight and in compliance with all TSA security screening procedures. The Screening Partnership Program is intended to ensure that participating airports provide services that meet TSA security and performance standards, while maximizing cost savings for taxpayers. Your Committee also finds that, as of April 2015, twenty-one airports throughout the United States have joined the Screening Partnership 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.R. No. 28 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3386 Ways and Means on S.C.R. No. 76

The purpose and intent of this measure is to request the Department of Transportation to recognize the significant accomplishments and contributions of the late Senator Daniel K. Inouye by designating the Honolulu International Airport as the Daniel K. Inouye International Airport.

Your Committee received written comments in support of this measure from the Department of Transportation.

Your Committee recognizes that the late Senator Daniel K. Inouye was a heroic veteran, a distinguished member of the United States Senate, and a devoted son of Hawaii. Your Committee finds that Senator Daniel K. Inouye recognized the importance of a functional state airport system that connected the individual Hawaiian Islands, linked Hawaii to the continental United States, and connected Hawaii globally to the rest of the world. Your Committee therefore finds that the State should honor and preserve the memory of Senator Daniel K. Inouye's instrumental involvement in developing Honolulu International Airport as the hub of interisland, interstate, and international air travel.

As 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. 76 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3387 Ways and Means on S.R. No. 47

The purpose and intent of this measure is to request the Department of Transportation to recognize the significant accomplishments and contributions of the late Senator Daniel K. Inouye by designating the Honolulu International Airport as the Daniel K. Inouye International Airport.

Your Committee received written comments in support of this measure from the Department of Transportation.

Your Committee recognizes that the late Senator Daniel K. Inouye was a heroic veteran, a distinguished member of the United States Senate, and a devoted son of Hawaii. Your Committee finds that Senator Daniel K. Inouye recognized the importance of a functional state airport system that connected the individual Hawaiian Islands, linked Hawaii to the continental United States, and connected Hawaii globally to the rest of the world. Your Committee therefore finds that the State should honor and preserve the memory of Senator Daniel K. Inouye's instrumental involvement in developing Honolulu International Airport as the hub of interisland, interstate, and international air travel.

As 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. 47 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3388 Ways and Means on S.C.R. No. 142

The purpose and intent of this measure is to request the Department of Land and Natural Resources to authorize the establishment of a monument on state land in honor of the late State Senator Gilbert Kahele.

Your Committee received written comments in support of this measure from two individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the late State Senator Gilbert "Gil" Kahele was dedicated to public service, and served the Hilo community and the island of Hawaii for much of his life. Among his many accomplishments, the late Senator led an effort to revitalize Banyan Drive in Hilo. The owners of the Nanihoa Hotel, which was a part of the revitalization of Banyan Drive, have dedicated a license over the land on the point of the hotel's dock area to the late Senator's family for a monument. The Department of Land and Natural Resources owns the land on which the proposed monument would be located, and the Department may authorize the use of the land for a monument. Your Committee believes that this location is an ideal place for a monument to the late Senator as it is located on the dock looking back toward downtown Hilo, symbolizing the late Senator's commitment to his community and his love of fishing.

According to the comments provided by the Department of Land and Natural Resources, the appropriate disposition for the proposed monument is likely a term easement issued to an entity willing to take responsibility for the monument. An easement may be granted by the Board of Land and Natural Resources for up to sixty-five years. The consent of the current lessee at the site of the proposed monument also must be obtained. If the site encumbers submerged lands, legislative approval would also be required. Additionally, the applicant for the proposed monument would be subject to special environmental review laws.

As 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. 142 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3389 Ways and Means on S.R. No. 104

The purpose and intent of this measure is to request the Department of Land and Natural Resources to authorize the establishment of a monument on state land in honor of the late State Senator Gilbert Kahele.

Your Committee received written comments in support of this measure from two individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the late State Senator Gilbert "Gil" Kahele was dedicated to public service, and served the Hilo community and the island of Hawaii for much of his life. Among his many accomplishments, the late Senator led an effort to revitalize Banyan Drive in Hilo. The owners of the Nanihoa Hotel, which was a part of the revitalization of Banyan Drive, have dedicated a license over the land on the point of the hotel's dock area to the late Senator's family for a monument. The Department of Land and Natural Resources owns the land on which the proposed monument would be located, and the Department may authorize the use of the land for a monument. Your Committee believes that this location is an ideal place for a monument to the late Senator as it is located on the dock looking back toward downtown Hilo, symbolizing the late Senator's commitment to his community and his love of fishing.

According to the comments provided by the Department of Land and Natural Resources, the appropriate disposition for the proposed monument is likely a term easement issued to an entity willing to take responsibility for the monument. An easement may be granted by the Board of Land and Natural Resources for up to sixty-five years. The consent of the current lessee at the site of the proposed monument also must be obtained. If the site encumbers submerged lands, legislative approval would also be required. Additionally, the applicant for the proposed monument would be subject to special environmental review laws.

As 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. 104 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3390 Ways and Means on S.C.R. No. 153

The purpose and intent of this measure is to study alternate methods of contracting for services for students with disabilities.

Specifically, this measure requests the Department of Education to:

- (1) Conduct a two-year pilot project to implement contracts for services for students with disabilities on a block basis, in addition to the current one-to-one basis;

- (2) Convene a working group to:
 - (A) Determine the nature of services that could be contracted by a block of time to serve more than one student with disabilities;
 - (B) Select, in coordination with the Department of Education, three school sites for participation in the pilot project; and
 - (C) Conduct a cost-benefit analysis of the delivery of services to students with complex needs utilizing a block contract model and an employee-based model; and
- (3) Submit a progress report to the Legislature prior to the 2017 Regular Session, and a final report prior to the 2018 Regular Session.

Your Committee received written comments in support of this measure from the Department of Education, State Council on Developmental Disabilities, Special Education Advisory Council, Community Children's Councils, and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Disability Rights Center.

Your Committee finds that the Department of Education currently provides contract services on a one-to-one basis for students with disabilities who have complex needs. Your Committee also finds that, in addition to not being cost-effective, one-to-one service may cause a student to become overly dependent on the adult support person and inhibit peer-to-peer interaction. Your Committee further finds that purchasing services in a block may allow for greater flexibility in meeting the needs of students with disabilities.

As 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, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3391 Ways and Means on S.R. No. 115

The purpose and intent of this measure is to study alternate methods of contracting for services for students with disabilities.

Specifically, this measure requests the Department of Education to:

- (1) Conduct a two-year pilot project to implement contracts for services for students with disabilities on a block basis, in addition to the current one-to-one basis;
- (2) Convene a working group to:
 - (A) Determine the nature of services that could be contracted by a block of time to serve more than one student with disabilities;
 - (B) Select, in coordination with the Department of Education, three school sites for participation in the pilot project; and
 - (C) Conduct a cost-benefit analysis of the delivery of services to students with complex needs utilizing a block contract model and an employee-based model; and
- (3) Submit a progress report to the Legislature prior to the 2017 Regular Session, and a final report prior to the 2018 Regular Session.

Your Committee received written comments in support of this measure from the Department of Education, State Council on Developmental Disabilities, Special Education Advisory Council, Community Children's Councils, and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Disability Rights Center.

Your Committee finds that the Department of Education currently provides contract services on a one-to-one basis for students with disabilities who have complex needs. Your Committee also finds that, in addition to not being cost-effective, one-to-one service may cause a student to become overly dependent on the adult support person and inhibit peer-to-peer interaction. Your Committee further finds that purchasing services in a block may allow for greater flexibility in meeting the needs of students with disabilities.

As 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. 115, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3392 Judiciary and Labor on S.C.R. No. 48

The purpose and intent of this measure is to request the Governor to order that whenever the flag of the United States is flown on a permanent flagpole in front of the State Capitol Building, the National League of Families' POW/MIA flag shall be flown on the same halyard.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that in 1982, the National League of Families' POW/MIA flag became the only flag, other than the flag of the United States, to fly over the White House in Washington, D.C. The National League of Families' POW/MIA flag is a tangible and lasting tribute to Prisoners of War or Missing in Action members of the United States Armed Services. Implementation of this measure will honor the sacrifices made by members of the United States Armed Forces.

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. 48 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3393 Judiciary and Labor on S.R. No. 22

The purpose and intent of this measure is to request the Governor to order that whenever the flag of the United States is flown on a permanent flagpole in front of the State Capitol Building, the National League of Families' POW/MIA flag shall be flown on the same halyard.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that in 1982, the National League of Families' POW/MIA flag became the only flag, other than the flag of the United States, to fly over the White House in Washington, D.C. The National League of Families' POW/MIA flag is a tangible and lasting tribute to Prisoners of War or Missing in Action members of the United States Armed Services. Implementation of this measure will honor the sacrifices made by members of the United States Armed Forces.

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. 22 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3394 Judiciary and Labor on S.C.R. No. 69

The purpose and intent of this measure is to:

- (1) Encourage members of the United States Congress to reform the military reporting, investigatory, and prosecutorial systems governing child sexual abuse and continue their efforts to require the military to adopt sweeping systemic reform; and
- (2) Encourage the Pentagon to apply the same openness standards with military reporting of criminal sex offenses involving children as the standards used in civilian courts and provide court documents that are open to the public electronically.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that child sexual abuse has a devastating effect on its victims. This crime can remain hidden for years, resulting in the victims remaining vulnerable and unable to receive the help and justice that they require and deserve. Your Committee further finds that the existing reporting, investigatory, and prosecutorial systems regarding child sexual assault are insufficient and should be reformed immediately.

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. 69 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3395 Judiciary and Labor on S.R. No. 40

The purpose and intent of this measure is to:

- (1) Encourage members of the United States Congress to reform the military reporting, investigatory, and prosecutorial systems governing child sexual abuse and continue their efforts to require the military to adopt sweeping systemic reform; and
- (2) Encourage the Pentagon to apply the same openness standards with military reporting of criminal sex offenses involving children as the standards used in civilian courts and provide court documents that are open to the public electronically.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that child sexual abuse has a devastating effect on its victims. This crime can remain hidden for years, resulting in the victims remaining vulnerable and unable to receive the help and justice that they require and deserve. Your Committee further finds that the existing reporting, investigatory, and prosecutorial systems regarding child sexual assault are insufficient and should be reformed immediately.

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. 40 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3396 Judiciary and Labor on S.C.R. No. 70

The purpose and intent of this measure is to request the Office of Elections to provide the Legislature a status update on the implementation of the new voter registration system.

Your Committee received testimony in support of this measure from the Office of Elections and one individual. Your Committee received comments on this measure from the Office of the City Clerk, City and County of Honolulu.

Your Committee finds that Hawaii allocated \$4,000,000 of funds provided pursuant to the Help America Vote Act of 2002 (HAVA) for a new voter registration and election management system. This measure requests a status update on the implementation of the new voter registration system to ensure that the project is being properly managed and will be ready for use for the 2018 elections.

Your Committee notes the comments from the Office of the City Clerk of the City and County of Honolulu that the migration from the existing voter registration system, which the Office of the City Clerk manages, to the Office of Election's new statewide voter registration and election management system may pose a variety of problems. Success in this migration and shift in responsibilities will depend on the Office of Elections and its vendors to properly develop, refine, and administer the new management software that governs processes that are not the operational or legal responsibilities of the Office of Elections, such as voter registration, vote by mail, or early voting. Your Committee believes that the counties are essential stakeholders in the transition and migration from the existing to the new voter registration system and has concerns about whether the Office of Elections will be able to meet the new system's scheduled implementation date.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Office of Elections, in addition to submitting a status update prior to the Regular Session of 2017, to submit a preliminary status update to the Legislature no later than July 1, 2016;
- (2) Adding the Chairperson of the Elections Commission and the County Clerks of each county to the list of recipients; 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 concurs with the intent and purpose of S.C.R. No. 70, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 70, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3397 Judiciary and Labor on S.R. No. 41

The purpose and intent of this measure is to request the Office of Elections to provide the Legislature a status update on the implementation of the new voter registration system.

Your Committee received testimony in support of this measure from the Office of Elections and one individual. Your Committee received comments on this measure from the Office of the City Clerk, City and County of Honolulu.

Your Committee finds that Hawaii allocated \$4,000,000 of funds provided pursuant to the Help America Vote Act of 2002 (HAVA) for a new voter registration and election management system. This measure requests a status update on the implementation of the new voter registration system to ensure that the project is being properly managed and will be ready for use for the 2018 elections.

Your Committee notes the comments from the Office of the City Clerk of the City and County of Honolulu that the migration from the existing voter registration system, which the Office of the City Clerk manages, to the Office of Election's new statewide voter registration and election management system may pose a variety of problems. Success in this migration and shift in responsibilities will depend on the Office of Elections and its vendors to properly develop, refine, and administer the new management software that governs processes that are not the operational or legal responsibilities of the Office of Elections, such as voter registration, vote by mail, or early voting. Your Committee believes that the counties are essential stakeholders in the transition and migration from the existing to the new voter registration system and has concerns about whether the Office of Elections will be able to meet the new system's scheduled implementation date.

Accordingly, your Committee has amended this measure by:

- (1) Requiring the Office of Elections, in addition to submitting a status update prior to the Regular Session of 2017, to submit a preliminary status update to the Legislature no later than July 1, 2016;
- (2) Adding the Chairperson of the Elections Commission and the County Clerks of each county to the list of recipients; 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 concurs with the intent and purpose of S.R. No. 41, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 41, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3398 Judiciary and Labor on S.C.R. No. 71

The purpose and intent of this measure is to designate April 28, 2016, as "Workers' Memorial Day" in Hawaii in memory of workers killed, injured, or disabled in the workplace.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawai'i Construction Alliance, Hawaii State AFL-CIO, and two individuals.

Your Committee finds that every year in America, thousands of workers are killed as a result of workplace injuries and occupational illnesses. In 2014, thirty-one Hawaii workers fell victim to fatal work injuries. Implementation of this measure will honor and pay tribute to the courageous and dedicated members of Hawaii's labor force who have been injured, disabled, or killed as a result of workplace accidents.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that Workers' Memorial Day is annually observed throughout the world on April 28 and that the date was selected because it is the anniversary of the founding of the Occupational Safety and Health Administration; 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. 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, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3399 Judiciary and Labor on S.R. No. 42

The purpose and intent of this measure is to designate April 28, 2016, as "Workers' Memorial Day" in Hawaii in memory of workers killed, injured, or disabled in the workplace.

Your Committee received testimony in support of this measure from the Department of Labor and Industrial Relations, Hawai'i Construction Alliance, Hawaii State AFL-CIO, and two individuals.

Your Committee finds that every year in America, thousands of workers are killed as a result of workplace injuries and occupational illnesses. In 2014, thirty-one Hawaii workers fell victim to fatal work injuries. Implementation of this measure will honor and pay tribute to the courageous and dedicated members of Hawaii's labor force who have been injured, disabled, or killed as a result of workplace accidents.

Your Committee has amended this measure by:

- (1) Inserting language to clarify that Workers' Memorial Day is annually observed throughout the world on April 28 and that the date was selected because it is the anniversary of the founding of the Occupational Safety and Health Administration; 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. 42, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 42, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3400 Judiciary and Labor on S.C.R. No. 85

The purpose and intent of this measure is to affirm the State's support for Planned Parenthood, recognizing its vital role in providing health care, and denouncing violence toward abortion providers and their patients.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, American Association of University Women of Hawaii, American Association of University Women Windward, Community Alliance on Prisons, Hawaii Youth Services Network, LGBT Caucus of the Democratic Party of Hawai'i, Planned Parenthood Votes Northwest and Hawaii, and eighty individuals. Your Committee received testimony in opposition to this measure from the Hawaii Catholic Conference, Hawaii Family Forum, and nine individuals.

Your Committee finds that Planned Parenthood of the Great Northwest and the Hawaiian Islands, an affiliate of Planned Parenthood Federation of America (Planned Parenthood), is a non-profit organization providing medical care and education for women, men, and families throughout diverse communities. Planned Parenthood offers cancer screenings, pregnancy testing and counseling, testing and treatment for sexually transmitted infections, comprehensive sexual health education, preventive health care services, birth control for men and women, emergency contraception, and abortion services, as well as resources on a variety of issues that impact children, families, and young adults, including sexual health education resources. This measure reaffirms the Legislature's support for Planned Parenthood health centers and staff in carrying out their mission to safeguard and provide access to health care.

Your Committee has amended this measure by:

- (1) Deleting language that would have expressed the Legislature's gratitude to Planned Parenthood for providing health care to millions of people annually; and
- (2) Making technical, nonsubstantive amendments, including to its title, 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. 85, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 85, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Kim). Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3401 Judiciary and Labor on S.R. No. 56

The purpose and intent of this measure is to affirm the State's support for Planned Parenthood, recognizing its vital role in providing health care, and denouncing violence toward abortion providers and their patients.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, American Association of University Women of Hawaii, American Association of University Women Windward, Community Alliance on Prisons, Hawaii Youth Services Network, LGBT Caucus of the Democratic Party of Hawai'i, Planned Parenthood Votes Northwest and Hawaii, and eighty individuals. Your Committee received testimony in opposition to this measure from the Hawaii Catholic Conference, Hawaii Family Forum, and nine individuals.

Your Committee finds that Planned Parenthood of the Great Northwest and the Hawaiian Islands, an affiliate of Planned Parenthood Federation of America (Planned Parenthood), is a non-profit organization providing medical care and education for women, men, and families throughout diverse communities. Planned Parenthood offers cancer screenings, pregnancy testing and counseling, testing and treatment for sexually transmitted infections, comprehensive sexual health education, preventive health care services, birth control for men and women, emergency contraception, and abortion services, as well as resources on a variety of issues that impact children, families, and young adults, including sexual health education resources. This measure reaffirms the Legislature's support for Planned Parenthood health centers and staff in carrying out their mission to safeguard and provide access to health care.

Your Committee has amended this measure by:

- (1) Deleting language that would have expressed the Legislature's gratitude to Planned Parenthood for providing health care to millions of people annually; and
- (2) Making technical, nonsubstantive amendments, including to its title, 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. 56, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 56, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4; Ayes with Reservations (Kim). Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3402 Judiciary and Labor on S.C.R. No. 8

The purpose and intent of this measure is to authorize the formation of a task force to study the issue of a cancer presumptive statute relating to firefighters.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council; Honolulu Fire Department; and Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO. Your Committee received comments on this measure from the Department of Health, Employees' Retirement System, Department of Human Resources of the City and County of Honolulu, and University of Hawai'i System.

Your Committee finds that University of Cincinnati environmental health researchers have determined that firefighters are significantly more likely to develop various types of cancer than workers in other fields. A firefighter's cancer diagnosis can have an enormous impact on a spouse, children, and other family members, including a heavy emotional toll, financial costs, and a decreased quality of life. Your Committee further finds that thirty-four states and nine Canadian provinces have enacted cancer presumptive statutes, which create a presumption that certain types of cancer diagnosed among firefighters result from their employment as firefighters.

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. 8, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 8, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3403 Judiciary and Labor on S.R. No. 6

The purpose and intent of this measure is to authorize the formation of a task force to study the issue of a cancer presumptive statute relating to firefighters.

Your Committee received testimony in support of this measure from the Hawaii State Fire Council; Honolulu Fire Department; and Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO. Your Committee received comments on this measure from the Department of Health, Employees' Retirement System, Department of Human Resources of the City and County of Honolulu, and University of Hawai'i System.

Your Committee finds that University of Cincinnati environmental health researchers have determined that firefighters are significantly more likely to develop various types of cancer than workers in other fields. A firefighter's cancer diagnosis can have an enormous impact on a spouse, children, and other family members, including a heavy emotional toll, financial costs, and a decreased quality of life. Your Committee further finds that thirty-four states and nine Canadian provinces have enacted cancer presumptive statutes, which create a presumption that certain types of cancer diagnosed among firefighters result from their employment as firefighters.

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.R. No. 6, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 6, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3404 Judiciary and Labor on S.C.R. No. 110

The purpose and intent of this measure is to request the Department of Education to:

- (1) Affirm its commitment to uphold the tenets of Title IX of the Education Amendments Act of 1972 (Title IX); and
- (2) Study and report on the addition of a Title IX coordinator to each complex area.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Commission on the Status of Women, Community Alliance on Prisons, American Association of University Women of Hawaii, American Association of University Windward, Planned Parenthood Votes Northwest and Hawaii, and one individual.

Your Committee finds that Title IX, which prohibits discrimination on the basis of sex in the administration of any educational program or activity receiving federal financial assistance, was enacted more than forty years ago. In that time, great progress has been made toward eliminating sex discrimination in education, but more work remains to be done. Until recently, the Department of Education did not have a Title IX coordinator, and access to services and reporting under Title IX remains difficult throughout much of the State. This measure works to help address this by requesting the Department of Education to, among other things, increase accessibility to Title IX information and resources, increase Title IX staff, and provide training on Title IX's protections.

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. 110, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3405 Judiciary and Labor on S.R. No. 76

The purpose and intent of this measure is to request the Department of Education to:

- (1) Affirm its commitment to uphold the tenets of Title IX of the Education Amendments Act of 1972 (Title IX); and
- (2) Study and report on the addition of a Title IX coordinator to each complex area.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Commission on the Status of Women, Community Alliance on Prisons, American Association of University Women of Hawaii, American Association of University Windward, Planned Parenthood Votes Northwest and Hawaii, and one individual.

Your Committee finds that Title IX, which prohibits discrimination on the basis of sex in the administration of any educational program or activity receiving federal financial assistance, was enacted more than forty years ago. In that time, great progress has been made toward eliminating sex discrimination in education, but more work remains to be done. Until recently, the Department of Education did not have a Title IX coordinator, and access to services and reporting under Title IX remains difficult throughout much of the State. This measure works to help address this by requesting the Department of Education to, among other things, increase accessibility to Title IX information and resources, increase Title IX staff, and provide training on Title IX's protections.

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. 76, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3406 Judiciary and Labor on S.C.R. No. 132

The purpose and intent of this measure is to:

- (1) Request that the state departments and counties affirm the tenets and principles found in the United Nations Convention on the Elimination of All Forms of Discrimination Against Women;
- (2) Urge the state departments and the counties to work with the Hawaii State Commission on the Status of Women to develop gender analysis guidelines; and
- (3) Urge the Department of Human Resources Development and the counties to implement a gender analysis of governmental functions.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, American Association of University Women of Hawaii, Community Alliance on Prisons, Planned Parenthood Votes Northwest and Hawaii, and two individuals.

Your Committee finds that in 1981, the Convention on the Elimination of All Forms of Discrimination against Women entered into force as an international treaty and is the only human rights treaty focused on women's rights. The "Cities for the Convention on the Elimination of All Forms of Discrimination Against Women" campaign seeks to protect the rights of women and girls by passing ordinances that establish the principles of the treaty in cities and towns across the United States. The City and County of Honolulu has become the most recent city to join the Cities for the Convention on the Elimination of All Forms of Discrimination Against Women campaign, and implementation of this measure will address the barriers that reduce the quality of life and equity of opportunity for women and girls.

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. 132 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3407 Judiciary and Labor on S.R. No. 97

The purpose and intent of this measure is to:

- (1) Request that the state departments and counties affirm the tenets and principles found in the United Nations Convention on the Elimination of All Forms of Discrimination Against Women;
- (2) Urge the state departments and the counties to work with the Hawaii State Commission on the Status of Women to develop gender analysis guidelines; and
- (3) Urge the Department of Human Resources Development and the counties to implement a gender analysis of governmental functions.

Your Committee received testimony in support of this measure from the Hawaii State Commission on the Status of Women, American Association of University Women of Hawaii, Community Alliance on Prisons, Planned Parenthood Votes Northwest and Hawaii, and two individuals.

Your Committee finds that in 1981, the Convention on the Elimination of All Forms of Discrimination against Women entered into force as an international treaty and is the only human rights treaty focused on women's rights. The "Cities for the Convention on the Elimination of All Forms of Discrimination Against Women" campaign seeks to protect the rights of women and girls by passing ordinances that establish the principles of the treaty in cities and towns across the United States. The City and County of Honolulu has become the most recent city to join the Cities for the Convention on the Elimination of All Forms of Discrimination Against Women campaign, and implementation of this measure will address the barriers that reduce the quality of life and equity of opportunity for women and girls.

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. 97 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Kahele, Slom).

SCRep. 3408 Water, Land, and Agriculture on S.C.R. No. 45

The purpose and intent of this measure is to authorize the amendment of a perpetual non-exclusive easement for the portion of state submerged lands fronting the property identified as tax map key: (2) 4-4-001: seaward of 055, Lahaina, Maui, for maintenance and repair of the existing seawall and landscaping constructed thereon, 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.

Your Committee finds that, pursuant to section 171-53, Hawaii Revised Statutes, the Board of Land and Natural Resources may lease state submerged lands with the prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution. Your Committee further finds that on February 23, 1990, the Board of Land and Natural Resources authorized the direct sale of a perpetual non-exclusive easement for the maintenance and repair of an existing seawall and for landscaping purposes on the land identified in this measure. Since the issuance of the easement, nine hundred forty-three square feet of the seawall, previously unexposed, has become visible. On August 9, 2013, the Board of Land and Natural Resources authorized the amendment of the perpetual non-exclusive easement to include the additional exposed area, subject to conditions. Your Committee concludes that the amendment to the easement is necessary for the maintenance and repair of the existing seawall and landscaping constructed thereon.

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, Land, and Agriculture 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, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3409 Water, Land, and Agriculture on S.C.R. No. 125

The purpose and intent of this measure is to request that the Waipi'o Valley Stakeholders Alliance coordinate with the Bishop Museum, Kamehameha Schools, Friends of the Future, County of Hawai'i, Office of Hawaiian Affairs, Trust For Public Land, State of Hawai'i, and other interested parties who may be invited by the Waipi'o Valley Stakeholders Alliance to provide their guidance and mana'o regarding the future preservation and stewardship of Waipi'o Valley.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC; Kamehameha Schools; and four individuals.

Your Committee finds that Waipi'o Valley is a revered wahi pana, or sacred place, on the island of Hawaii and has served as a cultural and demographic center for the Native Hawaiian culture for many centuries, housing precious resources including multiple heiau, an extensive taro lo'i and auwai system, fishponds, burial sites, ocean culture, and incomparable scenic beauty. Your Committee further finds that the Bishop Museum has owned and managed five hundred thirty-seven acres of Waipi'o Valley property, representing approximately sixty percent of the valley floor, for the past one hundred thirty years and has publicly announced its intent to sell its interest in order to enable the museum to move forward with a new strategic management plan. The Waipi'o Valley Stakeholders Alliance is fully committed to take the lead on stewardship efforts to transition the Bishop Museum lands, and is currently working

with many stakeholders, community leaders from groups who have experienced similar situations, and others who have expertise in land acquisition and land management to identify possible options that will ensure that Bishop Museum can remain solvent and continue its important work caring for Hawai'i's cultural treasures, while at the same time honoring Waipi'o Valley's past, present, and future to ensure that the land remains in the hands of the Waipi'o families as it has for centuries.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes the suggestion in Dr. Kū Kahakalau's testimony that the community organization Hā Ola O Waipi'o be named in this measure, rather than the Waipi'o Valley Stakeholders Alliance, and defers to the legislators of the district in which Waipi'o Valley is located to determine whether substantive amendments are needed as discussion of this measure continues.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 125, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 125, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3410 Water, Land, and Agriculture on S.R. No. 91

The purpose and intent of this measure is to request that the Waipi'o Valley Stakeholders Alliance coordinate with the Bishop Museum, Kamehameha Schools, Friends of the Future, County of Hawai'i, Office of Hawaiian Affairs, Trust For Public Land, State of Hawai'i, and other interested parties who may be invited by the Waipi'o Valley Stakeholders Alliance to provide their guidance and mana'o regarding the future preservation and stewardship of Waipi'o Valley.

Your Committee received testimony in support of this measure from Ho'omana Pono, LLC; Kamehameha Schools; and four individuals.

Your Committee finds that Waipi'o Valley is a revered wahi pana, or sacred place, on the island of Hawaii and has served as a cultural and demographic center for the Native Hawaiian culture for many centuries, housing precious resources including multiple heiau, an extensive taro lo'i and auwai system, fishponds, burial sites, ocean culture, and incomparable scenic beauty. Your Committee further finds that the Bishop Museum has owned and managed five hundred thirty-seven acres of Waipi'o Valley property, representing approximately sixty percent of the valley floor, for the past one hundred thirty years and has publicly announced its intent to sell its interest in order to enable the museum to move forward with a new strategic management plan. The Waipi'o Valley Stakeholders Alliance is fully committed to take the lead on stewardship efforts to transition the Bishop Museum lands, and is currently working with many stakeholders, community leaders from groups who have experienced similar situations, and others who have expertise in land acquisition and land management to identify possible options that will ensure that Bishop Museum can remain solvent and continue its important work caring for Hawai'i's cultural treasures, while at the same time honoring Waipi'o Valley's past, present, and future to ensure that the land remains in the hands of the Waipi'o families as it has for centuries.

Your Committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes the suggestion in Dr. Kū Kahakalau's testimony that the community organization Hā Ola O Waipi'o be named in this measure, rather than the Waipi'o Valley Stakeholders Alliance, and defers to the legislators of the district in which Waipi'o Valley is located to determine whether substantive amendments are needed as discussion of this measure continues.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 91, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 91, S.D. 1.

Signed by the Majority Leader on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3411 (Majority) Ways and Means on S.C.R. No. 30

The purpose and intent of this measure is to request the Departments of Health and Education to provide information about the human papillomavirus vaccine to the parents of public middle and intermediate school children.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Democratic Women's Caucus, Hawaii Public Health Institute, Planned Parenthood Votes Northwest and Hawaii, Pala Ola Lokahi, Hawaii Women's Coalition, 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 Health.

Your Committee recognizes that the human papillomavirus vaccine is an important vaccine that can protect against infection and the cancers caused by human papillomavirus. Your Committee notes, however, that in Hawaii, vaccination rates against the human papillomavirus are relatively low, since only thirty-four percent of women and fifteen percent of men in the State are fully immunized. Your Committee also notes that the federal Centers for Disease Control and Prevention recommends the human papillomavirus vaccine for preteen boys and girls at age eleven or twelve, so that they may be protected before any exposure to the virus. Your Committee believes that the actions requested by this measure can increase public awareness about the human papillomavirus vaccine among parents and children.

Your Committee notes that the Department of Health may require additional resources for the costs associated with fulfilling the requests in this measure. The department estimates that the cost of developing the requested educational information and materials is

\$40,000, and that the annual printing cost of providing educational materials to the parents of public middle and intermediate school children would be an additional \$10,000 for each grade level each year, for a total of \$30,000 each year. Your Committee notes that printing costs could be minimized if the materials are only provided to the parents of public school children who are entering the seventh grade.

Your Committee has amended this measure by inserting a request that the Departments of Health and Education seek and obtain private or federal funding to assist with the financing of the actions requested by 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 concurs with the intent and purpose of S.C.R. No. 30, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 30, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Harimoto). Noes, 1 (Slom). Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3412 (Majority) Ways and Means on S.R. No. 12

The purpose and intent of this measure is to request the Departments of Health and Education to provide information about the human papillomavirus vaccine to the parents of public middle and intermediate school children.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Democratic Women's Caucus, Hawaii Public Health Institute, Planned Parenthood Votes Northwest and Hawaii, Pala Ola Lokahi, Hawaii Women's Coalition, 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 Health.

Your Committee recognizes that the human papillomavirus vaccine is an important vaccine that can protect against infection and the cancers caused by human papillomavirus. Your Committee notes, however, that in Hawaii, vaccination rates against the human papillomavirus are relatively low, since only thirty-four percent of women and fifteen percent of men in the State are fully immunized. Your Committee also notes that the federal Centers for Disease Control and Prevention recommends the human papillomavirus vaccine for preteen boys and girls at age eleven or twelve, so that they may be protected before any exposure to the virus. Your Committee believes that the actions requested by this measure can increase public awareness about the human papillomavirus vaccine among parents and children.

Your Committee notes that the Department of Health may require additional resources for the costs associated with fulfilling the requests in this measure. The department estimates that the cost of developing the requested educational information and materials is \$40,000, and that the annual printing cost of providing educational materials to the parents of public middle and intermediate school children would be an additional \$10,000 for each grade level each year, for a total of \$30,000 each year. Your Committee notes that printing costs could be minimized if the materials are only provided to the parents of public school children who are entering the seventh grade.

Your Committee has amended this measure by inserting a request that the Departments of Health and Education seek and obtain private or federal funding to assist with the financing of the actions requested by 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 concurs with the intent and purpose of S.R. No. 12, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 12, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Harimoto). Noes, 1 (Slom). Excused, 4 (Galuteria, Riviere, Taniguchi, Wakai).

SCRep. 3413 Ways and Means on S.C.R. No. 44

The purpose and intent of this measure is to request the Auditor to conduct a sunrise analysis of school psychologists, as set forth under S.B. No. 2612, introduced during the Regular Session of 2016.

Your Committee received written comments in support of this measure from the Hawaii Association of School Psychologists and one individual.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs and Department of Education.

Your Committee finds that, unlike school psychologists in the private sector, school psychologists in the public sector are exempt from the licensing statute for psychologists, pursuant to section 465-3(a)(3), Hawaii Revised Statutes. This exemption allows persons who do not have graduate training in school psychology and who do not meet nationally accepted certification standards to practice psychology in the public schools. Your Committee finds that the Auditor's sunrise review will set forth the probable effects of regulating school psychologists.

As 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, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3414 Ways and Means on S.C.R. No. 90

The purpose and intent of this measure is to request the creation of a working group to develop a community paramedic program that will alleviate the burden placed on emergency services by non-emergency calls.

Your Committee received written comments in support of this measure from the Department of Health, University of Hawaii System, and three individuals.

Your Committee recognizes that in 2015, the City and County of Honolulu Emergency Medical Services processed almost ninety thousand calls, many from repeat callers who called for issues requiring general assistance, not emergency services. Your Committee finds that as the call volume rises each year and the number of ambulance stations remains the same, it is critical to develop proposals to establish community paramedic services to provide appropriate services for non-emergency callers who would otherwise use resources intended to serve individuals with emergency medical needs.

As 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, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3415 Ways and Means on S.C.R. No. 88

The purpose and intent of this measure is to request the Department of Health to exercise its power to establish fees through the rulemaking process for the licensure, certification, and recertification of various facilities seeking licensure or certification by the department.

Your Committee received written comments in opposition to this measure from The Arc in Hawaii and three individuals.

Your Committee finds that pursuant to section 321□11.5, Hawaii Revised Statutes, the Department of Health may establish reasonable fees for the issuance or renewal of licenses, permits, variances, and various certificates required by law or by the department's rules. Your Committee believes that the establishment of fees will produce fee revenues that will directly support the Department of Health's licensing and certification 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. 88 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3416 Ways and Means on S.C.R. No. 140

The purpose and intent of this measure is to request the Legislative Reference Bureau to conduct a review of the Child and Adolescent Mental Health Division of the Department of Health, and provide a comparative analysis to other similar states' systems.

Your Committee received written comments in support of this measure from one individual.

Your Committee received comments on this measure from the Department of Health and the Legislative Reference Bureau.

Your Committee finds that the clients of the Child and Adolescent Mental Health Division of the Department of Health are among the most vulnerable in the community, and consist of youths who have encountered mental health difficulties. Your Committee recognizes that the cost of the Child and Adolescent Mental Health program is substantial. Your Committee believes that, before additional resources are committed to the Child and Adolescent Mental Health program, a review of the Child and Adolescent Mental Health Division should be performed to determine the efficiency and effectiveness of its operation.

As 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. 140, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3417 Ways and Means on S.C.R. No. 91

The purpose and intent of this measure is to request the Auditor to perform a sunrise analysis of the regulation of certified professional midwives, as proposed in H.B. No. 1899, H.D. 1 (2016).

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that a certified professional midwife is a person who has met the standards for certification set by the North American Registry of Midwives and is qualified to provide the Midwives Model of Care. Your Committee further finds that the Legislature needs answers to whether the unregulated practice of a certified professional midwife harms the public, whether the harm is due to incompetent practice, and whether private certification without governmental regulation is sufficient to protect 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. 91 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3418 Ways and Means on S.C.R. No. 141

The purpose and intent of this measure is to request the Auditor to conduct a sunrise review of insurance coverage for sexually transmitted disease testing as proposed in S.B. No. 2323, S.D. 1, Regular Session of 2016.

Your Committee received written comments in support of this measure from Planned Parenthood Votes Northwest and Hawaii.

Your Committee finds that patients may be unable to determine in advance if their health insurance covers testing for sexually transmitted diseases and thus may refrain from seeking appropriate testing because of the potential cost. Similarly, some health care providers may not screen for such diseases even though the Affordable Care Act requires insurance to cover recommended testing without patient cost sharing. Yet, the economic cost of sexually transmitted disease testing is minimal compared to the economic and other costs associated with treating those infections. Your Committee accordingly finds that the Legislature needs more information on the social and financial impacts of any mandatory health insurance coverage of testing for sexually transmitted diseases.

As 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. 141 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3419 Ways and Means on S.C.R. No. 86

The purpose and intent of this measure is to request the formation of a paid family leave task force to examine the benefits and costs of a potential paid family leave program in the State.

Your Committee received written comments in support of this measure from the Hawaii State Commission on the Status of Women, Chamber of Commerce Hawaii, Hawaii Family Caregiver Coalition, ILWU Local 142, Planned Parenthood Votes Northwest and Hawaii, Democratic Party of Hawaii Women's Caucus, Hawaii Children's Action Network, and one individual.

Your Committee finds that the Hawaii Family Leave Law only applies to approximately 2.2 per cent of employers in the State. The majority of the State's citizens are not financially stable enough to take unpaid leave to provide care for newborns or family members with serious medical conditions. Your Committee believes that establishing a paid family leave program in the State could significantly enhance the quality of life in the State and decrease the gender pay gap. Your Committee recognizes that more information must be collected and analyzed before a state paid family leave program is established, and your Committee believes that a temporary task force can provide this type of information.

As 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. 86, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3420 Ways and Means on S.R. No. 57

The purpose and intent of this measure is to request the formation of a paid family leave task force to examine the benefits and costs of a potential paid family leave program in the State.

Your Committee received written comments in support of this measure from the Hawaii State Commission on the Status of Women, Chamber of Commerce Hawaii, Hawaii Family Caregiver Coalition, ILWU Local 142, Planned Parenthood Votes Northwest and Hawaii, Democratic Party of Hawaii Women's Caucus, Hawaii Children's Action Network, and one individual.

Your Committee finds that the Hawaii Family Leave Law only applies to approximately 2.2 per cent of employers in the State. The majority of the State's citizens are not financially stable enough to take unpaid leave to provide care for newborns or family members with serious medical conditions. Your Committee believes that establishing a paid family leave program in the State could significantly enhance the quality of life in the State and decrease the gender pay gap. Your Committee recognizes that more information must be collected and analyzed before a state paid family leave program is established, and your Committee believes that a temporary task force can provide this type of information.

As 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. 57, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3421 Ways and Means on S.C.R. No. 135

The purpose and intent of this measure is to request the Executive Office on Early Learning to collaborate with the Executive Office on Aging to encourage care providers of keiki and kupuna to create intergenerational shared sites for the betterment of Hawaii's communities.

Your Committee received written comments in support of this measure from one individual.

Your Committee received comments on this measure from the Executive Office on Early Learning.

Your Committee finds that keiki and kupuna have much to offer each other by spending time together in intergenerational shared sites.

As 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. 135 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3422 Ways and Means on S.C.R. No. 119

The purpose and intent of this measure is to urge the University of Hawaii at Manoa to fund and fill the vacant African American studies faculty tenure line position at the College of Social Sciences and to request the University to report on the status and plans for funding and filling that position.

Your Committee received written comments in support of this measure from the University of Hawaii System, University of Hawaii at Manoa Department of Ethnic Studies, African American Diversity Cultural Center Hawaii, Hawaii Civil Rights Commission, Hawaii Friends of Civil Rights, National Association for the Advancement of Colored People, Sisters Empowering Hawaii, and nine individuals.

Your Committee finds that the faculty position dedicated to African American history and contemporary issues has been vacant since the 2013 departure of the tenured incumbent. Your Committee further finds that filling the faculty position to provide instruction on the history and contributions of African Americans in Hawaii and the United States will benefit the student body of the University of Hawaii at Manoa and the State 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 concurs with the intent and purpose of S.C.R. No. 119 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3423 Ways and Means on S.C.R. No. 83

The purpose and intent of this measure is to request the Access Hawaii Committee, Hawaii Information Consortium, and various state agencies to collaborate and provide the Legislature with a progress report on the activities and expenses of the State's internet portal.

Your Committee received written comments in support of this measure from the Office of Enterprise Technology Services.

Your Committee received written comments on this measure from Hawaii Information Consortium, LLC.

Your Committee finds that the internet portal project was established in 1999 to redesign the State's website as a single electronic access point for information and services relating to all state agencies. The Access Hawaii Committee oversees the activities of the State's Internet Portal Manager. Since the project's establishment, the State has placed many services online to provide electronic access. However, the world's reliance on and typical use of the Internet has changed dramatically since 1999. Your Committee believes that a report on the internet portal project's activities and expenses will provide the Legislature with the information necessary to support the needs of the project and possibly maximize its efficiency.

As 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. 83 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3424 Ways and Means on S.R. No. 54

The purpose and intent of this measure is to request the Access Hawaii Committee, Hawaii Information Consortium, and various state agencies to collaborate and provide the Legislature with a progress report on the activities and expenses of the State's internet portal.

Your Committee received written comments in support of this measure from the Office of Enterprise Technology Services.

Your Committee received written comments on this measure from Hawaii Information Consortium, LLC.

Your Committee finds that the internet portal project was established in 1999 to redesign the State's website as a single electronic access point for information and services relating to all state agencies. The Access Hawaii Committee oversees the activities of the State's Internet Portal Manager. Since the project's establishment, the State has placed many services online to provide electronic access. However, the world's reliance on and typical use of the Internet has changed dramatically since 1999. Your Committee believes that a report on the internet portal project's activities and expenses will provide the Legislature with the information necessary to support the needs of the project and possibly maximize its efficiency.

As 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, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3425 Ways and Means on S.C.R. No. 81

The purpose and intent of this measure is to establish a task force to plan and coordinate the celebration of the fiftieth anniversary of the Hawaii State Capitol.

Your Committee received written comments in support of this measure from the State Foundation on Culture and the Arts.

Your Committee finds that March 19, 2019, will mark the fiftieth anniversary of the Hawaii State Capitol. Your Committee further finds that a coordinated and organized semicentennial celebration of the Hawaii State Capitol will help to encourage public appreciation of the history of the building and the significance of its architecture and artwork.

As 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 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3426 Ways and Means on S.R. No. 52

The purpose and intent of this measure is to establish a task force to plan and coordinate the celebration of the fiftieth anniversary of the Hawaii State Capitol.

Your Committee received written comments in support of this measure from the State Foundation on Culture and the Arts.

Your Committee finds that March 19, 2019, will mark the fiftieth anniversary of the Hawaii State Capitol. Your Committee further finds that a coordinated and organized semicentennial celebration of the Hawaii State Capitol will help to encourage public appreciation of the history of the building and the significance of its architecture and artwork.

As 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. 52 and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3427 Ways and Means on S.C.R. No. 26

The purpose and intent of this measure is to increase the University of Hawaii's use of online courses and degree programs.

Specifically, this measure requests the University of Hawaii to:

- (1) Develop a plan to promote cooperation between the University of Hawaii campuses to increase online courses and degree programs;
- (2) Examine the current status of the University of Hawaii's online programs and any resistance that the University's faculty may have against online courses and degree programs; and
- (3) Report to the Legislature prior to the 2017 Regular Session.

Your Committee finds that online courses and degree programs are increasingly important to ensure access to education for many students. Your Committee also finds that the geography of Hawaii makes online and distance education options especially valuable, particularly for students living on neighbor islands or who are unable to attend classes in a more traditional setting. Your Committee further finds that the University of Hawaii is well situated to offer a unique and valuable perspective to local and out-of-state students in a variety of important subject areas, including oceanography, renewable energy, and climate change.

As 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. 26, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3428 Ways and Means on S.R. No. 9

The purpose and intent of this measure is to increase the University of Hawaii's use of online courses and degree programs.

Specifically, this measure requests the University of Hawaii to:

- (1) Develop a plan to promote cooperation between the University of Hawaii campuses to increase online courses and degree programs;
- (2) Examine the current status of the University of Hawaii's online programs and any resistance that the University's faculty may have against online courses and degree programs; and
- (3) Report to the Legislature prior to the 2017 Regular Session.

Your Committee finds that online courses and degree programs are increasingly important to ensure access to education for many students. Your Committee also finds that the geography of Hawaii makes online and distance education options especially valuable, particularly for students living on neighbor islands or who are unable to attend classes in a more traditional setting. Your Committee further finds that the University of Hawaii is well situated to offer a unique and valuable perspective to local and out-of-state students in a variety of important subject areas, including oceanography, renewable energy, and climate change.

As 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. 9, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3429 Ways and Means on S.C.R. No. 164

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism, in consultation with the Department of Budget and Finance and the Department of Taxation, to determine the potential increase in economic activity, including the number of jobs, personal and corporate income, and personal and corporate taxes, that would result from granting an exemption for the sale of goods and services to the federal government from the state general excise tax.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism and the Department of Taxation.

Your Committee finds that contracts to provide goods and services to the federal government are a vital part of Hawaii's economy. Your Committee also finds that businesses domiciled and based in Hawaii are assessed the state general excise tax for the sale of goods and services to the federal government. However, the federal government does not enforce the state general excise tax on goods and services purchased from out-of-state businesses that are used and consumed within the State. This places Hawaii businesses at a disadvantage when bidding on federal contracts for goods and services. Your Committee further finds that, as a result, federal contracts to provide goods and services to the federal government are often awarded to out-of-state businesses, and ultimately, the loss of these contracts negatively impacts the State's 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 concurs with the intent and purpose of S.C.R. No. 164 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3430 Ways and Means on S.R. No. 125

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism, in consultation with the Department of Budget and Finance and the Department of Taxation, to determine the potential increase in economic activity, including the number of jobs, personal and corporate income, and personal and corporate taxes, that would result from granting an exemption for the sale of goods and services to the federal government from the state general excise tax.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism and the Department of Taxation.

Your Committee finds that contracts to provide goods and services to the federal government are a vital part of Hawaii's economy. Your Committee also finds that businesses domiciled and based in Hawaii are assessed the state general excise tax for the sale of goods and services to the federal government. However, the federal government does not enforce the state general excise tax on goods and services purchased from out-of-state businesses that are used and consumed within the State. This places Hawaii businesses at a disadvantage when bidding on federal contracts for goods and services. Your Committee further finds that, as a result, federal contracts to provide goods and services to the federal government are often awarded to out-of-state businesses, and ultimately, the loss of these contracts negatively impacts the State's 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 concurs with the intent and purpose of S.R. No. 125 and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3431 Ways and Means on S.C.R. No. 154

The purpose and intent of this measure is to request the Legislative Reference Bureau to conduct a study on the per-pupil funding system to determine whether the system fulfills its statutory purpose of equalizing operational funding among public schools.

Your Committee received written comments in support of this measure from the Hawaii State Public Charter School Commission and the Office of Hawaiian Affairs.

Your Committee received written comments on this measure from the Legislative Reference Bureau.

Your Committee finds that section 302D-28, Hawaii Revised Statutes, requires that the non-facility general fund per-pupil funding for public charter school students be the same as the general fund per-pupil amount provided to the Department of Education in the most recently approved executive budget. Your Committee further finds that disagreements have arisen as to whether this funding system equalizes public charter school intended. Accordingly your Committee believes that further study to examine whether funding parity exists between public charter school students and Department of Education students will be beneficial.

As 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. 154, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3432 Ways and Means on S.R. No. 116

The purpose and intent of this measure is to request the Legislative Reference Bureau to conduct a study on the per-pupil funding system to determine whether the system fulfills its statutory purpose of equalizing operational funding among public schools.

Your Committee received written comments in support of this measure from the Hawaii State Public Charter School Commission and the Office of Hawaiian Affairs.

Your Committee received written comments on this measure from the Legislative Reference Bureau.

Your Committee finds that section 302D-28, Hawaii Revised Statutes, requires that the non-facility general fund per-pupil funding for public charter school students be the same as the general fund per-pupil amount provided to the Department of Education in the most recently approved executive budget. Your Committee further finds that disagreements have arisen as to whether this funding system equalizes public charter school funding as intended. Accordingly your Committee believes that further study to examine whether funding parity exists between public charter school students and Department of Education students will be beneficial.

As 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. 116, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3433 Ways and Means on S.C.R. No. 146

The purpose and intent of this measure is to request that the Department of Education, a school of architecture, and Kula Kaiapuni 'O Ānuenuē enter a partnership to develop a proof of concept plan and design for a gymnasium at Ānuenuē School.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that students at Ānuenuē School, a Hawaiian immersion school for students in kindergarten through twelfth grade, are very active in a variety of athletic events and sports. However, the school lacks a gymnasium and the physical constraints of the Ānuenuē School site limit the available space to expand. Thus, designing and constructing gymnasium facilities at the school are a challenge.

Your Committee further finds that establishing a partnership between the Department of Education, a school of architecture, and Kula Kaiapuni 'O Ānuenuē will allow the development of plans and designs for gymnasium facilities, while providing valuable learning opportunities for architectural students.

As 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. 146, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3434 Ways and Means on S.R. No. 108

The purpose and intent of this measure is to request that the Department of Education, a school of architecture, and Kula Kaiapuni 'O Ānuenuē enter a partnership to develop a proof of concept plan and design for a gymnasium at Ānuenuē School.

Your Committee received written comments in support of this measure from the Department of Education.

Your Committee finds that students at Ānuenuē School, a Hawaiian immersion school for students in kindergarten through twelfth grade, are very active in a variety of athletic events and sports. However, the school lacks a gymnasium and the physical constraints of the Ānuenuē School site limit the available space to expand. Thus, designing and constructing gymnasium facilities at the school are a challenge.

Your Committee further finds that establishing a partnership between the Department of Education, a school of architecture, and Kula Kaiapuni 'O Ānuenuē will allow the development of plans and designs for gymnasium facilities, while providing valuable learning opportunities for architectural students.

As 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. 108, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3435 Ways and Means on Gov. Msg. No. 594

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 3RD TAXATION DISTRICT (HAWAII)

GM. No. 594 VALERIE PERALTO, for a term to expire 06-30-2016

Your Committee reviewed Valerie Peralto's personal statement and resume and a written communication received from Ms. Peralto regarding her professional and educational background and goals for serving on the Board of Taxation Review for the Third Taxation District (Hawaii).

Your Committee received testimony in support of the nomination of Ms. Peralto from the Department of Taxation and three individuals.

Ms. Peralto has a Bachelor of Business Administration degree in Public Accounting from Gonzaga University. She is a Certified Public Accountant who practices at Peralto & Co. CPAs, Inc., which is the Hilo-based accounting firm that she co-founded. Your Committee finds that Ms. Peralto has served clients on the Island of Hawaii for over thirty-five years, and her vast experience in tax and accounting will be helpful in resolving complex tax questions and cases that come before the Board of Taxation Review.

As 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, 9. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 3436 Ways and Means on Gov. Msg. No. 595

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 3RD TAXATION DISTRICT (HAWAII)

G.M. No. 595 VALERIE PERALTO, for a term to expire 06-30-2020

Your Committee reviewed Valerie Peralto's personal statement and resume and a written communication received from Ms. Peralto regarding her professional and educational background and goals for serving on the Board of Taxation Review for the Third Taxation District (Hawaii).

Your Committee received testimony in support of the nomination of Ms. Peralto from the Department of Taxation and two individuals.

Ms. Peralto has a Bachelor of Business Administration degree in Public Accounting from Gonzaga University. She is a Certified Public Accountant who practices at Peralto & Co. CPAs, Inc., which is the Hilo-based accounting firm that she co-founded. Your Committee finds that Ms. Peralto has served clients on the Island of Hawaii for over thirty-five years, and her vast experience in tax and accounting will be helpful in resolving complex tax questions and cases that come before the Board of Taxation Review.

As 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, 9. Noes, none. Excused, 2 (Galuteria, Taniguchi).

SCRep. 3437 Water, Land, and Agriculture on Gov. Msg. Nos. 615, 616, and 617

Recommending that the Senate advise and consent to the nominations of the following:

KAHANA VALLEY LIVING PARK PLANNING COUNCIL

G.M. No. 615 LAUREN TANAKA, for a term to expire 06-30-2017;

G.M. No. 616 ROBERT STAUFFER, for a term to expire 06-30-2016; and

G.M. No. 617 ROBERT STAUFFER, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Lauren Tanaka and Robert Stauffer to possess the requisite qualifications to be nominated to the Kahana Valley Living Park Planning Council.

LAUREN TANAKA

Your Committee received testimony in support of the nomination for the reappointment of Lauren Tanaka from the Department of Land and Natural Resources and one individual.

Upon review of the testimony, your Committee finds that Ms. Tanaka's background, experience, and proven leadership as a Planner for the Division of State Parks of the Department of Land and Natural Resources qualify her to be nominated for consideration for reappointment to the Kahana Valley Living Park Planning Council. Your Committee notes that Ms. Tanaka has decades of experience as a Planner with the Department of Land and Natural Resources and has been a member of the Kahana Valley Living Park Planning Council since 2009. Ms. Tanaka indicates in her personal statement that she hopes to significantly contribute to a master plan for the Kahana Valley Living Park, find resolutions for outstanding issues and concerns at the park, and maintain trust and responsibility to provide meaningful cultural programs for park visitors. Your Committee believes that Ms. Tanaka's knowledge, experience, and commitment to public service will continue to assist the Council in achieving these goals.

ROBERT STAUFFER

Your Committee received testimony in support of the nomination for the appointment and reappointment of Robert Stauffer from the Department of Land and Natural Resources and one individual.

Upon review of the testimony, your Committee finds that Mr. Stauffer's background, experience, and proven leadership as a state government historical project planning manager and program manager qualify him to be nominated for consideration for appointment and reappointment to the Kahana Valley Living Park Planning Council. Your Committee notes that Mr. Stauffer is a part-time lecturer at the University of Hawaii at Manoa Ethnic Studies Department and manages the *Ka Ho'oilina: Journal of Hawaiian Language Sources* and its corresponding web projects. Mr. Stauffer was the first Park Coordinator for the Kahana Valley Living Park and wrote *Kahana: How the Land was Lost* (UH Press, 2004) after years of academic research, including reading most available reports and manuscripts on the ahupua'a of Kahana. Your Committee finds that Mr. Stauffer's wealth of historical knowledge of the park and Kahana area will assist the State and park residents in providing interpretive programs for the cultural enrichment of park visitors.

As affirmed by the records of votes of the members of your Committee on Water, Land, and 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. No. 615: Ayes, 5; Ayes with Reservations (Shimabukuro). Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

For Gov. Msg. Nos. 616 and 617: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3438 Water, Land, and Agriculture on Gov. Msg. No. 662

Recommending that the Senate advise and consent to the nomination of the following:

DIRECTOR, OFFICE OF PLANNING

G.M. No. 662 LEO ASUNCION, JR., for a term to expire at noon on 12-03-2018

Your Committee received testimony in support of the nomination of Leo Asuncion, Jr., from the Governor; Department of Land and Natural Resources; Department of Transportation; Department of Business, Economic Development, and Tourism; Hawaii Housing Finance and Development Corporation; Aha Moku Advisory Committee; County of Maui Department of Planning; County of Kauai Planning Department; Chamber of Commerce Hawaii; Hawaii Laborers-Employers Cooperation and Education Trust; Marine and Coastal Zone Advocacy Council, Ke Kahu O Na Kumu Wai; Pūlama Lāna‘i; Building Industry Association of Hawaii; Hawai‘i Construction Alliance; Hawai‘i Farm Bureau; Hawaii Chapter of the American Planning Association; Group 70 International, Inc.; Pacific Resource Partnership; Laborers’ International Union of North America local 368; and thirty-seven individuals.

Upon review of the testimony, your Committee finds that Mr. Asuncion’s experience as the Planning Program Manager for the Hawaii Coastal Zone Management Program, commitment to public service, and proven leadership qualify him for nomination as the Director of the Office of Planning. Mr. Asuncion has experience as a Senior Regulatory Analyst and Senior Resource Planning Analyst at Hawaiian Electric Company, Inc.; Project Planner and Manager at SSFM International, Inc.; Planner for the Planning and Program Evaluation Division of the Judiciary; and Staff Planner for the Land Use Commission. He has served as the Vice Chair of the Coastal States Organization and as a member of the American Institute of Certified Planners and state and national chapters of the American Planning Association. Your Committee notes that Mr. Asuncion has worked in planning for over twenty-five years and has experience in the public and private sectors. Your Committee further finds that Mr. Asuncion has served as the Acting Director of the Office of Planning since March 2014. Based on Mr. Asuncion’s knowledge, experience, and commitment to public service, your Committee finds that Mr. Asuncion will continue to lead the important work of the Office.

As affirmed by the record of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3439 Economic Development, Environment, and Technology on Gov. Msg. Nos. 663 and 738

Recommending that the Senate advise and consent to the nominations of the following:

SMALL BUSINESS REGULATORY REVIEW BOARD

G.M. No. 663 KYOKO KIMURA, for a term to expire 06-30-2020; and

G.M. No. 738 NANCY ATMOSPORA-WALCH, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Kyoko Kimura and Nancy Atmospera-Walch to possess the requisite qualifications to be nominated to the Small Business Regulatory Review Board.

KYOKO KIMURA

Your Committee received testimony in support of the nomination of Kyoko Kimura from the Department of Business, Economic Development, and Tourism; Small Business Regulatory Review Board; and one individual.

Upon review of the testimony, your Committee finds that Ms. Kimura’s experience as the Director of Owner Relations for Aqua-Aston Hospitality, LLC; commitment to public service; and proven leadership qualify her to be nominated for consideration for reappointment to the Small Business Regulatory Review Board. Your Committee notes that Ms. Kimura has over twenty-five years’ experience in the hospitality industry and is a current member of the Small Business Regulatory Review Board, Hawai‘i Tourism Authority Strategic Planning Committee, and Chair of the Japan Hawaii Tourism Council Airlift Committee. Based on Ms. Kimura’s knowledge, experience, and commitment to public service, your Committee finds that Ms. Kimura will continue to assist in the important work of the Board.

NANCY ATMOSPORA-WALCH

Your Committee received testimony in support of the nomination of Nancy Atmospera-Walch from the Department of Business, Economic Development, and Tourism; and Small Business Regulatory Review Board.

Upon review of the testimony, your Committee finds that Ms. Atmospera-Walch’s experience as the Principle Shareholder, Chairwoman, President, and Chief Executive Officer of ADVANTAGE Health Care Provider, Inc.; commitment to public service; and proven leadership qualify her for consideration for appointment to the Small Business Regulatory Review Board. Your Committee notes that Ms. Atmospera-Walch is a Registered Nurse, Licensed Nursing Home Administrator, Master Certified Health Education Specialist, Certified in Community Health Nursing, Certified Management Consultant, and has worked in the health care industry for over thirty years. She is a Technical Reviewer for the Centers for Disease Control and Prevention and a member of the Nursing Advisory Board of Chaminade University and the Aloha Medical Mission Board of Directors. Your Committee further finds that Ms. Atmospera-Walch has been nominated for appointment to the Small Business Regulatory Review Board based on her knowledge, experience, and willingness to serve the public.

As affirmed by the records of votes of the members of your Committee on Economic Development, Environment, 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, 7. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 3440 Economic Development, Environment, and Technology on Gov. Msg. Nos. 699, 700, 701, 702, and 703

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. 699 HERBERT BRIAN MOORE, for a term to expire 06-30-2019;
- G.M. No. 700 JAMES MOONIER, for a term to expire 06-30-2020;
- G.M. No. 701 JON WALLENSTROM, for a term to expire 06-30-2019;
- G.M. No. 702 KEIKI-PUA DANCIL, for a term to expire 06-30-2019; and
- G.M. No. 703 MARK TSUDA, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Herbert Brian Moore, James Moonier, Jon Wallenstrom, Keiki-Pua Dancil, and Mark Tsuda to possess the requisite qualifications to be nominated to the Board of Directors of the Hawaii Strategic Development Corporation.

HERBERT BRIAN MOORE

Your Committee received testimony in support of the nomination for the reappointment of Herbert Brian Moore from the Hawaii Strategic Development Corporation.

Upon review of the testimony, your Committee finds that Mr. Moore's experience as the Senior Vice President of the Real Estate Investments Department of Pacific Guardian Life Insurance Company, Ltd.; commitment to public service; and proven leadership qualify him to be nominated for consideration for reappointment to the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Mr. Moore has served as the Chairman of the Board of Directors of the Hawaii Strategic Development Corporation since 2009 and is a member of the Mortgage Bankers Association of Hawaii. He has served previously on the Board of Directors of the Natural Energy Laboratory of Hawaii Authority and as a member of the Urban Land Institute, NAIOP Commercial Real Estate Development Association, and Hawaii and Honolulu Boards of REALTORS. Based on Mr. Moore's knowledge, experience, and commitment to public service, your Committee finds that Mr. Moore will continue to lead the important work of the Board of Directors of the Hawaii Strategic Development Corporation.

JAMES MOONIER

Your Committee received testimony in support of the nomination for the reappointment of James Moonier from the Hawaii Strategic Development Corporation.

Upon review of the testimony, your Committee finds that Mr. Moonier's experience as a Partner at Alpha Capital Research, commitment to public service, and proven leadership qualify him to be nominated for consideration for reappointment to the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Mr. Moonier has experience in sales and trading in New York, Tokyo, Hong Kong, and Singapore and is a current member of the Board of Directors of the Hawaii Strategic Development Corporation, Advisory Board of Sennet Capital, and Board of Trustees of Le Jardin Academy. Based on Mr. Moonier's knowledge, experience, and commitment to public service, your Committee finds that Mr. Moonier will continue to be an asset to the Board of Directors of the Hawaii Strategic Development Corporation.

JON WALLENSTROM

Your Committee received testimony in support of the nomination for the reappointment of Jon Wallenstrom from the Hawaii Strategic Development Corporation.

Upon review of the testimony, your Committee finds that Mr. Wallenstrom's experience as the President of Forest City Hawaii, commitment to public service, and proven leadership qualify him to be nominated for consideration for reappointment to the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Mr. Wallenstrom has experience in real estate and development and is a current member of the Board of Directors of the Hawaii Strategic Development Corporation. He has served as Chair of the Urban Land Institute Honolulu District Council and as a member of the Urban Land Institute Washington, D.C. District Council, Catholic Charities Housing Development Corporation, and Hawaii Business Roundtable, and has been inducted into Lambda Alpha International - an honorary society for the advancement of land economics. Based on Mr. Wallenstrom's knowledge, experience, and commitment to public service, your Committee finds that Mr. Wallenstrom will continue to benefit the important work of the Board of Directors of the Hawaii Strategic Development Corporation.

KEIKI-PUA DANCIL

Your Committee received testimony in support of the nomination for the reappointment of Keiki-Pua Dancil from the Hawaii Strategic Development Corporation.

Upon review of the testimony, your Committee finds that Ms. Dancil's experience as the President of the Hawaii Science & Technology Council, commitment to public service, and proven leadership qualify her to be nominated for consideration for reappointment to the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Ms. Dancil is the Chief Executive Officer of the Hawaii Science & Technology Institute and has prior experience in the area of biomedical technologies. She is the current vice-chair of the Board of Directors of the Hawaii Strategic Development Corporation and member of

the Board of Directors of PBS Hawaii, and has served as a member of the Hawaii Science & Technology Council Board of Directors, Commissioner of the Temporary Advisory Commission on Bioprospecting, Board Member of the University of Hawai'i at Hilo Keaholoa STEM Program, and an Empowering Communities Member of the Kamehameha Schools Bishop Estate Strategic Planning Committee. Based on Ms. Dancil's knowledge, experience, and commitment to public service, your Committee finds that Ms. Dancil will continue to lead the important work of the Board of Directors of the Hawaii Strategic Development Corporation.

MARK TSUDA

Your Committee received testimony in support of the nomination of Mark Tsuda from the Hawaii Strategic Development Corporation.

Upon review of the testimony, your Committee finds that Mr. Tsuda's experience as the Chief Executive Officer of Jams World/Surf Line Hawaii, Ltd.; commitment to public service; and proven leadership qualify him to be nominated for consideration for appointment to the Board of Directors of the Hawaii Strategic Development Corporation. Your Committee notes that Mr. Tsuda has experience in hotel finance, operations, sales and marketing, and human resources and has worked at Spa Operations of The Blackstone Group; Mandara Spa, LLC; and Aston Hotels and Resorts. Your Committee further finds that Mr. Tsuda has been nominated for appointment to the Board of Directors of the Hawaii Strategic Development Corporation based on his knowledge and experience in the travel and fashion industries and willingness to serve the public.

As affirmed by the records of votes of the members of your Committee on Economic Development, Environment, 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, 7. Noes, none. Excused, 2 (Ihara, Thielen).

SCRep. 3441 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 706, 707, 708, and 709

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. 706 JOEL KUROKAWA, for a term to expire 06-30-2020;
- G.M. No. 707 KEN OTA, for a term to expire 06-30-2017;
- G.M. No. 708 KEVIN KATAYAMA, for a term to expire 06-30-2020; and
- G.M. No. 709 MARC VENTURA, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Joel Kurokawa, Ken Ota, Kevin Katayama, and Marc Ventura to possess the requisite qualifications to be nominated to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects.

JOEL KUROKAWA

Your Committee received testimony in support of the nomination for the reappointment of Joel Kurokawa from the Department of Commerce and Consumer Affairs; Hawaii Chapter, American Society of Landscape Architects; and two individuals.

Upon review of the testimony, your Committee finds that Mr. Kurokawa's knowledge, background, and prior experience on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects qualify him to be nominated for reappointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as a landscape architect member. Your Committee notes that Mr. Kurokawa has over twenty years of experience in the field of landscape architecture. He practiced in California and Japan before returning to Hawaii in 1995 and is currently the Principal and Owner of his design firm, Ki Concepts, LLC. Mr. Kurokawa is an active member of and has held leadership roles in the Hawaii Chapter of the American Society of Landscape Architects, The Outdoor Circle, and Smart Trees Pacific. Your Committee further finds that Mr. Kurokawa has served on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects since January 2013, is the current Vice Chairperson of the Board, serves on the Board's Rules Committee, and represents the Board nationally as a member of the Landscape Architecture Continuing Education System Committee. Your Committee therefore recommends that Mr. Kurokawa be reappointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his background, experience, and commitment to public service.

KEN OTA

Your Committee received testimony in support of the nomination for the appointment of Ken Ota from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Mr. Ota's background, experience, and commitment to serving his community qualify him to be nominated for appointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as a public member representing Maui County. Your Committee notes that Mr. Ota has twenty-five years' experience in the water supply industry. Mr. Ota is also dedicated to community service and has served in numerous leadership roles for a variety of organizations, including his current positions as a board member for the Alexander & Baldwin Sugar Museum, trustee for the Hawaii Section of the American Water Works Association, and board member for the American Water Works Association. Mr. Ota also previously served on the University of Hawaii Maui College Chancellor's Advisory Council and the Maui Contractors Association Board of Directors. Your Committee further finds that Mr. Ota has a thorough understanding of the role and responsibilities of board members by virtue of his prior experience and past leadership positions on the Board of Professional Engineers, Architects, Surveyors,

and Landscape Architects. Your Committee therefore recommends that Mr. Ota be appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his background, experience, and dedication to public service.

KEVIN KATAYAMA

Your Committee received testimony in support of the nomination for the reappointment of Kevin Katayama from the Department of Commerce and Consumer Affairs; Anbe, Aruga & Ishizu, Architects, Inc.; Iwamoto & Associates, LLC; and Kukulu LLC.

Upon review of the testimony, your Committee finds that Mr. Katayama's knowledge, background, and prior experience on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects qualify him to be nominated for reappointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as a professional engineer member. Your Committee notes that Mr. Katayama has twenty-eight years of engineering experience and has been the President and Principal-in-charge of his consulting mechanical engineering firm, Katayama and Associates, Inc., for eighteen years. Mr. Katayama also holds a number of professional memberships, including affiliations with the American Society of Heating, Refrigeration, and Air Conditioning Engineers; National Fire Protection Association; Consulting Engineering Council of Hawaii; and the United States Green Building Council as an LEED Accredited Professional. Your Committee further finds that Mr. Katayama has served on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects since July 2013 and has represented the Board at national and regional conferences, and his many years of experience as a mechanical engineer continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Katayama be reappointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his background, experience, and desire to contribute to the community.

MARC VENTURA

Your Committee received testimony in support of the nomination for the reappointment of Marc Ventura from the Department of Commerce and Consumer Affairs; Shioi Construction, Inc.; and one individual.

Upon review of the testimony, your Committee finds that Mr. Ventura's background, knowledge, and prior experience on the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects qualify him to be nominated for reappointment to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects as an architect member. Your Committee notes that Mr. Ventura has almost twenty-five years of architectural experience, encompassing all phases of design, risk management, construction documentation, project development, and construction management in a variety of building types, architectural styles, and project budgets. Mr. Ventura has been licensed in Hawaii and California since 1992 and is the Founder and Principal of his architectural firm, Marc Ventura AIA, LLC, which he founded in Lihue, Kauai, in 1995. Your Committee further finds that Mr. Ventura was most recently appointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects in June 2015, represented the Board at national and regional conferences during his previous term on the Board, and his knowledge and insights regarding the field of architecture continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Ventura be reappointed to the Board of Professional Engineers, Architects, Surveyors, and Landscape Architects based on his experience, knowledge, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3442 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 712 and 713

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, HONOLULU SUBAREA

GM. No. 712 ALICIA LAU, for a term to expire 06-30-2020; and

GM. No. 713 CRAIG NAKAMOTO, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alicia Lau and Craig Nakamoto to possess the requisite qualifications to be nominated to the Health Planning Council, Honolulu Subarea.

ALICIA LAU

Your Committee received testimony in support of the nomination of Alicia Lau from the State Health Planning and Development Agency; Arcadia Community Services; Catholic Charities Hawai'i; Hawaii Association of Professional Nurses; Ohana Pacific Management Company, Inc.; and two individuals.

Your Committee finds that Ms. Lau is presently the Owner and Health Care Consultant for Damien Healthcare Consultants, LLC, and Health Care Liaison and Sister Liaison for the Sisters of St. Francis of the Neumann Communities. Ms. Lau's past work experience includes serving as Chief Operating Officer for Kūlana Mālama and Chief Operating Officer for Ito Healthcare Group. Ms. Lau is active in the community, where she presently serves as Chair on the Board of Directors for the Damien and Marianne Foundation and volunteers for the National Park Service in Kalaupapa, Molokai. Ms. Lau indicated in her personal statement that she intends to continue to review health issues in the State and assist in the sharing of information with consumers and health care providers. Your Committee finds that Ms. Lau's past experiences in the health care industry, as well as her dedication to serving the public, will be great assets to the Health Planning Council, Honolulu Subarea.

CRAIG NAKAMOTO

Your Committee received testimony in support of the nomination for reappointment of Craig Nakamoto from the State Health Planning and Development Agency and Kaiser Permanente Hawaii.

Your Committee finds that Mr. Nakamoto is presently the Health and Regulatory Counsel for the Kaiser Foundation Health Plan, Inc., Hawaii Region, and has previous work experience as the Director of Communications for the Hawaii Community Development Authority, Associate for Hisaka Yoshida & Cosgrove, and Corporate Counsel for The Queen's Health Systems. Mr. Nakamoto is active in the community, having served on the Health Planning Council, Honolulu Subarea, since 2012. Mr. Nakamoto indicated in his personal statement that he believes his legal knowledge about health care and his understanding about the operations of the health care industry will assist him on various issues that affect hospitals and clinics and hopes to learn more about the certificate of need process. Your Committee finds that Mr. Nakamoto's legal background in health care, as well as his willingness to serve, will continue to be great assets to the Health Planning Council, Honolulu Subarea.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3443 Commerce, Consumer Protection, and Health on Gov. Msg. No. 731

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF SPEECH PATHOLOGY AND AUDIOLOGY

G.M. No. 731 GARY BELCHER, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Gary Belcher to possess the requisite qualifications to be nominated to the Board of Speech Pathology and Audiology.

Your Committee received testimony in support of the nomination of Gary Belcher from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Belcher's background, experience, and dedication to serving the public qualify him for consideration for reappointment to the Board of Speech Pathology and Audiology as a public member. Your Committee notes that Mr. Belcher has extensive experience in the area of health education and spent twenty years as the Information Technology Manager for Hawaii Residency Programs, Inc., affiliated with the University of Hawaii John A. Burns School of Medicine. Mr. Belcher is currently the Program Administrator for the University of Hawaii Surgical Residency Program, the Orthopaedic Residency Program, and the Surgical Critical Care Fellowship Program. Your Committee further finds that Mr. Belcher has been a member of the Board of Speech Pathology and Audiology since July 2014 and the insight he offers, based on his many years in health care education, continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Belcher be considered for reappointment to the Board of Speech Pathology and Audiology based on his knowledge, experience, and commitment to serving the community.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3444 Commerce, Consumer Protection, and Health on Gov. Msg. No. 732

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF EXAMINERS IN OPTOMETRY

G.M. No. 732 PETER SHOJI, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Peter Shoji to possess the requisite qualifications to be nominated for reappointment to the Board of Examiners in Optometry.

Your Committee received testimony in support of the nomination for the reappointment of Peter Shoji from the Department of Commerce and Consumer Affairs and Hawaii Optometric Association.

Upon review of the testimony, your Committee finds that Dr. Shoji's background, knowledge, and experience on the Board of Examiners in Optometry qualify him to be nominated for reappointment to the Board of Examiners in Optometry as a licensee member. Your Committee notes that Dr. Shoji is an optometrist in private practice and has been licensed in Hawaii since 1985. Dr. Shoji is also an active member of his profession, where he has served on the Board of Directors for the American Optometric Association and Hawaii Optometric Association, and within his community, where he served as a member of the Manoa and Salt Lake neighborhood boards for many years. Your Committee further finds that Dr. Shoji has been a member of the Board of Examiners in Optometry since August 2012, has been the Vice Chairperson of the Board since October 2015, and is the Board's delegate to attend National Association of Regulatory Boards of Optometry meetings. Your Committee therefore recommends that Dr. Shoji be reappointed to the Board of Examiners in Optometry 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, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3445 Commerce, Consumer Protection, and Health on Gov. Msg. No. 739

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF PUBLIC ACCOUNTANCY

G.M. No. 739 GREGG TAKETA, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Gregg Taketa to possess the requisite qualifications to be nominated for reappointment to the State Board of Public Accountancy.

Your Committee received testimony in support of the nomination for the reappointment of Gregg Taketa from the Department of Commerce and Consumer Affairs, Hawaii Association of Public Accountants, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Taketa's knowledge, background, and proven leadership on the State Board of Public Accountancy qualify him to be nominated for reappointment to the State Board of Public Accountancy as a licensed and actively practicing Certified Public Accountant member. Your Committee notes that Mr. Taketa has been a practicing Certified Public Accountant in Hawaii since 1979 and is a founding member of Taketa, Iwata, Hara & Associates, LLC, in Hilo, Hawaii. Mr. Taketa is also an active member of the Hawaii Association of Public Accountants, where he has served in a variety of leadership roles, including past President, and is a former member of the State of Hawaii Tax Review Commission. Your Committee finds that Mr. Taketa has been a member of the State Board of Public Accountancy since July 2012, currently serves as the Board's Vice Chairperson and as Chairperson of the Peer Review Standing Committee, and is on the Education Committee of the National Association of State Boards of Accountancy. Your Committee further finds that Mr. Taketa's professional expertise continues to enhance the effectiveness of the Board and recommends that Mr. Taketa be reappointed to the State Board of Public Accountancy 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, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3446 Commerce, Consumer Protection, and Health on Gov. Msg. No. 740

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOXING COMMISSION OF HAWAII

G.M. No. 740 SNOOKY FUJIKAWA, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Snooky Fujikawa to possess the requisite qualifications to be nominated for reappointment to the State Boxing Commission of Hawaii.

Your Committee received testimony in support of the nomination for the reappointment of Snooky Fujikawa from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Fujikawa's background, commitment to serving his community, and proven experience on the State Boxing Commission of Hawaii qualify him to be nominated for reappointment to the State Boxing Commission of Hawaii. Your Committee notes that Mr. Fujikawa has been involved with the sport of boxing for over twenty-five years and is the owner of Mono E Mono Boxing, LLC, and Punch Fit Hawaii by Mono E Mono. Mr. Fujikawa is also a certified personal trainer and has served as a boxing coach and boxing second. Your Committee further finds that Mr. Fujikawa has been a member of the State Boxing Commission of Hawaii since July 2012 and his vast experience as a boxing trainer continues to be an invaluable asset to the Commission. Your Committee therefore recommends that Mr. Fujikawa be reappointed to the State Boxing Commission of Hawaii based on his experience, commitment to the sport of boxing, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3447 Higher Education and the Arts on Gov. Msg. Nos. 627 and 628

Recommending that the Senate advise and consent to the nominations of the following:

WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION

G.M. No. 627 COLLEEN SATHRE, for a term to expire 06-30-2017; and

G.M. No. 628 DAVID LASSNER, for a term to expire 06-30-2018

COLLEEN SATHRE

Your Committee received testimony in support of the nomination for the reappointment of Dr. Colleen Sathre from two individuals.

Upon review of the testimony, your Committee finds that Dr. Sathre's professional experience and background qualify her to be nominated for reappointment to the Western Interstate Commission for Higher Education. Your Committee notes that in her more than twenty-seven years with the University of Hawaii, Dr. Sathre has contributed to the University of Hawaii's planning and policy decisions and is currently a Vice President Emeritus with the University. Your Committee further finds that Dr. Sathre has been nominated for reappointment to the Western Interstate Commission for Higher Education based on her knowledge, experience, and undeniable commitment and dedication to the University.

DAVID LASSNER

Your Committee received testimony in support of the nomination for the reappointment of Dr. David Lassner from the Chamber of Commerce Hawaii and three individuals. Your Committee received testimony in opposition of the nomination of Dr. Lassner from two individuals.

Upon review of the testimony, your Committee finds that Dr. Lassner's professional experience and background qualify him to be nominated for reappointment to the Western Interstate Commission for Higher Education. Your Committee notes that as the President of the University of Hawaii, Dr. Lassner's professional experience in policy and leadership at an institution of higher education will be an asset to the Commission. Your Committee further notes that as president of the University, Dr. Lassner is best situated to consider suggestions that the Commission may have for the University of Hawaii.

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, 1 (Slom).

SCRep. 3448 (Joint) Higher Education and the Arts and Economic Development, Environment, and Technology on H.B. No. 1029

The purpose and intent of this measure is to amend the composition of the Endangered Species Recovery Committee by replacing the Director of the University of Hawaii Environmental Center or the Director's designee with the Dean of the University of Hawaii at Manoa College of Natural Sciences or the Dean's designee.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources and University of Hawai'i System.

Your Committees find that due to a reorganization of the University of Hawaii Environmental Center, the University's College of Natural Sciences now has better resources and expertise than the University's Environmental Center for the level of commitment and type of analysis that the Endangered Species Recovery Committee requires. Your Committees therefore find that this measure improves the composition of the Endangered Species Recovery Committee by replacing the representative from the University's Environmental Center with a representative from the University's College of Natural Sciences.

Your Committees have amended this measure by making it effective upon its approval.

As affirmed by the records of votes of the members of your Committees on Higher Education and the Arts and Economic Development, Environment, and Technology that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1029, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1029, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.
Higher Education and the Arts: Ayes, 3. Noes, none. Excused, 2 (Kidani, Slom).
Economic Development, Environment, and Technology: Ayes, 5. Noes, none. Excused, 4 (Galuteria, Keith-Agaran, Ruderman, Slom).

SCRep. 3449 (Majority) Judiciary and Labor on H.B. No. 2561

The purpose and intent of this measure is to implement recommendations made by the Penal Code Review Committee convened pursuant to House Concurrent Resolution No. 155, S.D. 1 (2015).

Specifically, this measure amends various chapters of the Hawaii Penal Code and makes conforming and other amendments to related statutes outside of the Hawaii Penal Code.

Your Committee received testimony in support of this measure from the Crime Victim Compensation Commission, the Community Alliance on Prisons, and one individual. The Department of Health and the Sex Abuse Treatment Center submitted testimony in support of part IV of the measure.

The Department of the Attorney General, the Department of the Prosecuting Attorney of the City and County of Honolulu, the Honolulu Police Department, and the Office of the Prosecuting Attorney of the County of Kauai submitted testimony supporting parts of the measure, but opposing other parts.

Your Committee received testimony in opposition to this measure from the Chamber of Commerce Hawaii, the Chinatown Merchants Association, and the Hawaii Food Industry Association. Retail Merchants of Hawaii and ABC Stores submitted testimony in opposition to a specific part of the measure.

Your Committee received comments on this measure from the Judiciary.

Your Committee finds that this measure reflects the recommendations of the Penal Code Review Committee, which was established pursuant to House Concurrent Resolution No. 155, S.D. 1 (2015). The Penal Code Review Committee was composed of judges, lawyers, legislators, law enforcement officials, and members of the public. The Committee carefully reviewed the Hawaii Penal Code, as well as other related statutes, and made eighty-four recommendations that were included in the current measure, which comprises more than seventy sections.

The Penal Code Review Committee submitted a report of its findings and recommendations to the Legislature on December 31, 2015. The report contains detailed analysis and rationale for each of its recommendations. Your Committee incorporates the Penal Code Review Committee's report by reference in this committee report. The Report of the Penal Code Review Committee may be accessed at: http://www.courts.state.hi.us/docs/news_and_reports_docs/2015_PENAL_CODE_REVIEW_REPORT-FINAL-12-30-15.pdf.

Your Committee provided for advance public comment a proposed S.D.1, which amended this measure by:

- (1) Including new provisions in section 70 of the measure concerning applicability of the provisions in sections 54, 55, and 56 of the measure, to allow for retroactive effect in certain circumstances and to avoid anomalous or disproportionate sentencing for persons currently being adjudicated for crimes involving methamphetamine;
- (2) Based upon testimony submitted at your Committee's hearing on the companion measure, S.B. No. 2964, adding language to section 61 of this measure to preclude a court from entering an order modifying the statutorily prescribed monthly deduction of moneys owed for victim restitution;
- (3) Changing the effective date to January 7, 2059, to facilitate further discussion on the measure; and
- (4) Making technical non-substantive changes for purposes of clarity, consistency, and style.

After full and fair discussion at a public hearing for the proposed S.D.1, your Committee has further amended this measure by:

- (1) In section 4 of the measure concerning examination of a defendant with respect to physical or mental disorders, based on testimony received from the Deputy Chief Judge of the Family Court of the First Circuit, providing that juvenile records may be made available to the prosecuting attorney and counsel for a defendant only if constitutionally required;
- (2) Based on testimony provided by the Department of the Prosecuting Attorney of the City and County of Honolulu, and with oral concurrence at the hearing by the Chair of the Penal Code Review Committee, further expanding the scope of section 708-803, Hawaii Revised Statutes, in section 36 of the measure concerning habitual property crime, by adding convictions for petty misdemeanor theft under section 708-833, Hawaii Revised Statutes, to two new combinations of crimes within the definition of "habitual property crime perpetrator."

With respect to property crime generally, your Committee wishes to note that an issue brief from the Pew Charitable Trusts, dated February 23, 2016, analyzed the possible relationship between increased felony theft thresholds and property crime rates in thirty states between 2001 and 2011. The issue brief stated three important conclusions:

- (1) Raising felony theft thresholds has no impact on overall property crime;
- (2) States that increased their thresholds reported roughly the same average decrease in crime as states that did not; and
- (3) The amount of a state's felony theft threshold does not correlate with its property crime and theft rates.

Your Committee notes that this measure raises the class C felony theft threshold from \$300 to \$750, whereas states analyzed in the issue brief from Pew Charitable Trusts had felony theft thresholds as high as \$2,000 (South Carolina, Colorado) or even \$2,500 (Texas). The issue brief may be accessed at: http://www.pewtrusts.org/~media/assets/2016/02/the_effects_of_changing_state_theft_penalties.pdf

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. 2561, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2561, 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, 1 (Slom). Excused, 1 (Kahele).

SCRep. 3450 Judiciary and Labor on H.B. No. 1902

The purpose and intent of this measure is to:

- (1) Replace the term "promoting prostitution in the first degree" with the term "sex trafficking", a class A felony, and establish that for a person who knowingly advances or profits from prostitution of a person less than eighteen years old, the state of mind requirement is not applicable to the fact that the person subjected to prostitution was less than eighteen years old and the person is strictly liable with respect to the attendant circumstance that the person submitted to prostitution was less than eighteen years old;
- (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 chapter 663J, Hawaii Revised Statutes (HRS), relating to civil liability in specific cases of coercion into prostitution;
- (5) Amend the offense of prostitution to:
 - (A) Clarify that a person commits the offense if the person is eighteen years of age or older and engages in or agrees to engage in sexual conduct with another person for a fee;
 - (B) Establish a class C felony if the 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
 - (C) Establish a violation for the person who is less than eighteen years of age and engages in or agrees or offers to engage in sexual conduct with another person for a fee and establish that the person will be subject to the jurisdiction of the Family Court;
- (6) Change the offense of promoting prostitution in the second degree to the offense of promoting prostitution;
- (7) Make conforming amendments to the law relating to the motion to vacate a conviction of certain prostitution offenses;
- (8) Include the offense of sex trafficking in the list of covered offenses for which property is subject to forfeiture;
- (9) Add the offense of sex trafficking to the list of crimes for which an order to intercept wire, oral, or electronic communications is permitted;
- (10) Amend the law relating to tier 1 and tier 2 offenses for the registration of sex offenders; and
- (11) Make conforming amendments to the list of offenses to which deferred acceptance of guilty plea or nolo contendere plea does not apply.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Office of the Prosecuting Attorney, County of Kaua'i; IMUAlliance; The Pacific Alliance to Stop Slavery; Family Programs Hawaii; Hawaii Family Forum; American Association of University Women of Hawaii; UNITE; and six individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu; Police Department, City and County of Honolulu; LGBT Caucus of the Democratic Party of Hawai'i; The Libertarian Party of Hawaii; Shared Hope International; Amnesty International/USA; COYOTE Los Angeles; COYOTE Rhode Island; and two individuals.

Your Committee 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 allows Hawaii to join other states that have adopted comprehensive anti-sex trafficking legislation.

Your Committee has amended this measure by:

- (1) Amending and reorganizing the offense of prostitution to:
 - (A) Make the existing sentencing requirements in section 712-1200(4), HRS, apply to only prostitution as a petty misdemeanor;
 - (B) Specify that a minor who commits prostitution, either by engaging in or agreeing or offering to engage in sexual conduct for a fee or paying, agreeing to pay, or offering to pay a fee to another to engage in sexual conduct, is subject to the jurisdiction of the Family Court; and
 - (C) Add the definition of "minor";
- (2) Amending the offense of sex trafficking to:
 - (A) Establish that for a person who knowingly advances or profits from prostitution of a minor, rather than requiring strict liability of that person with respect to the victim's age of less than eighteen years, the prosecution is required to prove only that the person committing the offense of sex trafficking acted negligently; and
 - (B) Add the definition of "minor";
- (3) Amending section 712-1209.6, HRS, to delete unnecessary definitions because all of the terms are properly referenced;
- (4) Changing the effective date to July 1, 2016; 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. 1902, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1902, 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, 6. Noes, none. Excused, 1 (Kahele).

SCRep. 3451 Judiciary and Labor on H.B. No. 1726

The purpose and intent of this measure is to include that a person commits the offense of murder in the first degree when the person intentionally or knowingly causes the death of another person whom the defendant restrained or otherwise detained as a shield, as a hostage, or for ransom.

Your Committee received testimony in support of this measure from eight individuals. Your Committee received comments on this measure from the Department of the Prosecuting Attorney, City and County of Honolulu.

Your Committee finds that the offense of murder in the first degree is a narrowly defined offense that is limited to cases in which there are multiple victims, the victim was killed by a hired killer, or the victim was under the specific protection of or had a particular role with the courts or law enforcement system. Defendants convicted of murder in the first degree are automatically sentenced to life imprisonment without the possibility of parole. All other forms of murder are covered under the offense of murder in the second degree, and defendants convicted of murder in the second degree are generally sentenced to life imprisonment with the possibility of parole. However, it is possible for a defendant convicted of murder in the second degree to be sentenced to life imprisonment without the possibility of parole if enhanced sentencing under section 706-657, Hawaii Revised Statutes (HRS), or an extended term of imprisonment under section 706-661, HRS, is applied. The different sentencing requirements between these two offenses can have a tremendous impact on the surviving members of the victims' families.

Your Committee notes the testimony received from individuals that the offense of murder in the first degree may be too narrowly defined and that the offense of murder in the second degree and its sentencing requirements may not appropriately correlate to the type of act committed. This measure expands the acts for which a person may be convicted of murder in the first degree.

Your Committee further notes the concerns raised by the Department of the Prosecuting Attorney of the City and County of Honolulu that this measure does not fit properly within the current landscape of the types of acts delineated under the offense of murder in the first degree. However, your Committee believes that further clarity is necessary to provide additional circumstances in which restraint of a person by a defendant during the course of a murder could result in the defendant being charged with murder in the first degree under section 707-701, HRS. Your Committee notes that these clarifying amendments are technically consistent with other provisions in chapter 707, HRS.

Your Committee is aware that a conviction under section 707-701, HRS, necessarily results in a sentence of life without the possibility of parole. Your Committee notes that by incorporating the newly particularized context for murder in the first degree proposed by this measure, the State might be seen as moving closer to enacting a type of homicide charge traditionally not recognized in Hawaii law. By adopting this measure, it is not your Committee's intention to endorse such an interpretation.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the offense of murder in the first degree includes when the defendant intentionally or knowingly causes the death of a person whom the defendant restrained with intent to hold the person for ransom or reward or use the person as a shield or hostage, in order to be consistent with the language under other offenses under chapter 707, HRS;
- (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 H.B. No. 1726, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1726, 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 (Kahele).

SCRep. 3452 Commerce, Consumer Protection, and Health on H.B. No. 254

The purpose and intent of this measure is to allow for the dispensing of biosimilar medicines under specified conditions and regulate interchangeable biological products to ensure patient safety and access to medicines at lower prices.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Hawaii Medical Association, Hawaii Medical Service Association, Healthcare Association of Hawaii, National Patient Advocate Foundation, International Cancer Advocacy Network, National Hispanic Medical Association, American Cancer Society Cancer Action Network, American Liver Foundation, Global Colon Cancer Association, Biotechnology Innovation Organization, National Organization for Rare Disorders, Alliance of Specialty Medicine, HealthHIV, Pharmaceutical Research and Manufacturers of America, Coalition of State Rheumatology Organizations, Alliance for Patient Access, Women Against Prostate Cancer, U.S. Pain Foundation, Alliance for Safe Biologic Medicines, Lupus and Allied Diseases Association, National Psoriasis Foundation, American Autoimmune Related Diseases Association, Global Healthy Living Foundation, RetireSafe, and three individuals. Your Committee received comments on this measure from the Department of Health and CVS Health.

Your Committee finds that biologics are a class of medicines available to treat disease, which, unlike traditional drugs that are chemically manufactured, are manufactured in living cells. Common biologics in use today include human growth hormone, injectable treatments for arthritis and psoriasis, the Hepatitis B vaccine, and stem cell therapy.

Your Committee further finds that biosimilars are substitute versions of brand-name biologics, and while these substitutes are not identical to brand-name biologics, they are designed to provide commensurate benefits to patients at lower costs. As of September 15, 2015, sixteen states and Puerto Rico have passed legislation to regulate the substitution of biosimilars for brand-name biologics by pharmacists, and at least thirty-one states have considered similar legislation.

Your Committee further finds that the Drug Product Selection Board is no longer necessary and its purpose, namely creating the Hawaii additions and deletions list, is better served by reassigning that responsibility to the Director of Health, which, combined with the responsibility to amend the list of substitutable drug products and biological products, simplifies the process to updating and maintaining the list. Furthermore, by consolidating what was formerly referred to as the "compendia of therapeutically equivalent generic drug products" and "Hawaii additions and deletions list" into one list, the "Hawaii list of equivalent drug products and interchangeable biological products", the Director of Health may more efficiently update the list as necessary and according to periodic updates by the United States Food and Drug Administration.

Your Committee has amended this measure by:

- (1) Amending the definition of “biological product” to include a reference to “biologic product”;
- (2) Defining “Hawaii list of equivalent generic drug products and interchangeable biological products”;
- (3) Amending the definitions of “interchangeable biological product” and “equivalent generic drug product”;
- (4) Deleting the definitions of “board”, “compendia of therapeutically equivalent generic drug products”, “Hawaii additions and deletions list”, and “multiple source drug”;
- (5) Requiring pharmacists and authorized agents to inform a consumer of savings and product differences when filling a prescription order for a drug prescribed by its brand name and offering a consumer an equivalent generic drug product or an interchangeable biological product;
- (6) Specifying that a pharmacist shall not substitute an equivalent generic drug product or interchangeable biological product unless the practitioner and consumer provide consent;
- (7) Requiring a dispensing pharmacist or designee to communicate to the prescriber the name and manufacturer of a biological product provided to a patient, within twenty-four hours following the dispensing of the biological product;
- (8) Clarifying language related to notice of dispensing a biological product by a pharmacist to a prescriber using an electronic records system or other means;
- (9) Amending section 328-96, Hawaii Revised Statutes, to:
 - (A) Delete language that allowed the Drug Product Selection Board to establish a Hawaii additions and deletions list and other various responsibilities related to the list;
 - (B) Provide the Director of Health with the sole authority to create and amend, not subject to chapter 91, Hawaii Revised Statutes, the Hawaii list of equivalent drug products and interchangeable biological products pursuant to findings of the United States Food and Drug Administration;
 - (C) Require the Director of Health to notify all pharmacies in the State if the Hawaii list of equivalent generic drug products and interchangeable biological products has been updated;
 - (D) Specify that the Hawaii list of equivalent generic drug products and interchangeable biological products include only substitutable generic drug products and interchangeable biological products that are determined by the Director of Health to be safe, effective, and therapeutically equivalent or interchangeable;
 - (E) Require the Department of Health to distribute the Hawaii list of equivalent generic drug products and interchangeable biological products, including any revisions, to all pharmacies in the State and any other interested individuals and may publish the Hawaii list of equivalent generic drug products and interchangeable biological products and notice of any amendments thereto on the Department of Health’s website; and
 - (F) Require each pharmacy in the State to update and maintain its physical copies and electronic records of the Hawaii list of equivalent generic drug products and interchangeable biological products;
- (10) Repealing the Drug Product Selection Board; 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, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 254, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 254, 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, 5. Noes, none. Excused, 2 (Nishihara, Slom).

SCRep. 3453 (Joint) Commerce, Consumer Protection, and Health and Judiciary and Labor on H.B. No. 1176

The purpose and intent of this measure is to prohibit:

- (1) Physicians, surgeons, and podiatrists from prescribing more than three sequential thirty-day prescriptions totaling a ninety-day supply of a schedule II controlled substance; and
- (2) Authorization for refills of a schedule III narcotic drug more than five times.

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 of this measure and inserts language to:

- (1) Beginning January 1, 2017, prohibit the sale of an e-liquid container for an electronic smoking device unless the container is child-resistant and prohibit the sale of an e-liquid container that includes e-liquid containing nicotine unless the e-liquid packaging is labeled with warning language;
- (2) Include e-liquid under the definition of “hazardous substance” as used in the Hawaii Poison Prevention Packaging Act; and
- (3) Include an effective date of January 1, 2017.

Your Committees received testimony in support of the proposed S.D. 1 from the Department of Health, University of Hawaii Student Health Advisory Council, Hawai'i Public Health Institute, VOLCANO Fine Electronic Cigarettes, Hawaii Vapers United, and one individual. Your Committees received testimony in opposition of the proposed S.D. 1 from the League of Women Voters of Hawaii and three individuals.

Your Committees find that according to the Centers for Disease Control and Prevention, calls to poison control centers across the country related to exposure to nicotine in cigarettes have grown considerably since 2010. Poison experts warn that concentrated nicotine in liquid form is significantly toxic, even in small doses, as poisonings related to e-liquid containers can occur when nicotine is inhaled or absorbed through the skin or eyes.

Your Committees further find that the packaging and use of electronic smoking devices are potentially hazardous to the health of Hawaii residents, including Hawaii's children, yet many liquids for electronic smoking devices are offered in flavors and scents that are appealing to children. There are currently no packaging requirements for the sale of e-liquid containers. Stringent packaging and labeling requirements for e-liquid containers will protect young children from inadvertent exposure to the contents of electronic smoking device cartridges and also inform consumers whether an e-liquid product contains nicotine, a highly addictive substance.

Your Committees have amended this measure by adopting the proposed S.D. 1 and further amending the proposed S.D. 1 by amending the package labeling requirements for e-liquid containers that include e-liquid containing nicotine.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1176, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1176, H.D. 2, S.D. 1, and be placed on the calendar for Third Reading.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

Judiciary and Labor: Ayes, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3454 Judiciary and Labor on H.B. No. 2281

The purpose and intent of this measure is to amend the Uniform Parentage Act to allow for service by publication when defendants cannot be located or personally served.

Your Committee received testimony in support of this measure from the Department of the Attorney General and one individual. Your Committee received testimony in opposition to this measure from one individual.

Your Committee finds that the Uniform Parentage Act specifies service by registered or certified mail when the defendant is not found within the circuit, but does allow for other methods of service that is provided by law or court rules. The Family Court has authorized the Child Support Enforcement Agency of the Department of the Attorney General to serve defendants in paternity cases by publication if they cannot be located or personally served. By codifying the Family Court's practice of allowing service by publication in paternity cases under the Uniform Parentage Act, this measure makes service consistent with service in other Family Court proceedings and helps to make the child support process more efficient.

Your Committee notes that means of communication are evolving due to advancements in technology. Newspapers are shifting to online editions, people are shifting from written letters to email or social media, and many people no longer have landlines and listings in telephone directories. Thus, providing notice by publication may not sufficiently encompass all means available that are reasonably calculated to give a party actual notice of the proceedings and an opportunity to be heard.

Accordingly, your Committee has amended this measure by:

- (1) Adopting language suggested in written testimony to authorize the court to allow, in addition to notice by publication, notice of a paternity action and the time and date of hearing by any other manner that is reasonably calculated to give the party actual notice of the proceedings and an opportunity to be heard, including the following:
 - (A) Notice by posting to an online publication website;
 - (B) Service by electronic mail or posting to a social networking account; and
 - (C) Notice by posting to a public bulletin board; 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. 2281, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2281, 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 (Kahele).

SCRep. 3455 Water, Land, and Agriculture on H.B. No. 2033

The purpose and intent of this measure is to allow the Director of Health to appoint a designee to serve as an ex officio voting member on the Commission on Water Resource Management.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Health, and one individual.

Your Committee finds that the Director of Health does not have discretionary authority to appoint a designee to serve in the Director's place as an ex officio voting member of the Commission on Water Resource Management. Therefore, when the Director has

a scheduling conflict with other commissions or travel conflicts to neighbor islands, the Department of Health cannot be represented at Commission meetings. Additionally, there may be staff within the Department of Health with subject matter expertise particularly relevant to the duties of the Commission on Water Resource Management. Your Committee finds that this measure will give the Director of Health the flexibility to ensure that the Department is represented and the Commission receives expert input.

Your Committee has amended this measure by making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2033, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2033, 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, 4 (Dela Cruz, Thielen, Wakai, Slom).

SCRep. 3456 Ways and Means on H.B. No. 2218

The purpose and intent of this measure is to make amendments to the state income tax law for the purpose of deleting obsolete or unnecessary provisions.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that this housekeeping measure amends the state income tax law, codified as chapter 235, Hawaii Revised Statutes, by repealing obsolete or unnecessary provisions and making conforming amendments.

Your Committee has amended this measure by:

- (1) Setting forth the texts of the statutory sections being repealed under this measure to comport with generally accepted drafting conventions; and
- (2) 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 H.B. No. 2218, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2218, 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, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3457 Ways and Means on H.B. No. 2465

The purpose and intent of this measure is to repeal, abolish, or amend various non-general funds pursuant to the recommendations made by the Auditor in Auditor's Report No. 15-19.

Your Committee received testimony in support of this measure from the Department of Human Services, the Office of the Auditor, Susannah Wesley Community Center, and one individual.

Your Committee received testimony in opposition to this measure from the Hawaii State Coalition Against Domestic Violence.

Your Committee received comments on this measure from the Tax Foundation of Hawaii and the Domestic Violence Action Center.

Your Committee finds that the revenues generated from fees for certified copies of birth, marriage, divorce, and death certificates issued by the Department of Health and deposited into the spouse and child abuse special account amounted to \$346,258 in fiscal year 2015. This amount represented seventy per cent of the total revenues received by the spouse and child abuse special account, which were expended for domestic abuse programs, child welfare services, and identification of sex trafficking victims. Your Committee feels that continuing to allow a portion of the fees from the issuance of Department of Health vital records to be deposited into the spouse and child abuse special account will help to ensure that the special account has the resources necessary to continue to fund services for adults and children who have experienced abuse.

Your Committee has amended this measure by:

- (1) Deleting provisions amending the revenue sources of the spouse and child abuse special account;
- (2) Deleting provisions appropriating unspecified amounts of funds to the Department of Human Services and the Hawaii Public Housing Authority; 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 H.B. No. 2465, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2465, 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, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3458 Ways and Means on H.B. No. 1527

The purpose and intent of this measure is to require the Department of Taxation to evaluate, and make recommendations regarding, certain tax credits and exemptions.

Your Committee received testimony in support of this measure from United Public Workers.

Your Committee received testimony in opposition to this measure from Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, EAH Housing, Hawaii Association of Realtors, and Land Use Research Foundation of Hawaii.

Your Committee received comments on this measure from the Department of Taxation and Tax Foundation of Hawaii.

Your Committee finds that the creation of sound tax policy requires comprehensive information about the tax credits and exemptions offered by the State. Currently, there are a variety of tax credits and exemptions provided in Title 14 of the Hawaii Revised Statutes. However, policymakers do not have comprehensive information regarding the intended objectives or actual economic effects of each credit or exemption. Your Committee believes that requiring the Department of Taxation to routinely report on existing and new tax credits and exemptions will provide the Legislature and administration with the information necessary to develop the best tax policy for the State.

Your Committee has amended this measure by inserting an appropriation for an unspecified amount to offset the costs incurred by the Department of Taxation to evaluate certain tax credits and exemptions.

As affirmed by the record of votes of the members 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. 1527, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1527, 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, 9. Noes, none. Excused, 2 (Galuteria, Slom).

SCRep. 3459 Ways and Means on H.B. No. 2415

The purpose and intent of this measure is to repeal, reclassify, or abolish non-general funds.

Specifically, this measure:

- (1) Repeals the Kapolei recreational sports complex special fund;
- (2) Reclassifies the prepaid airport use charge fund from a special fund to a trust fund; and
- (3) Abolishes the photo enforcement revolving fund.

Your Committee received testimony in support of this measure from the Department of Accounting and General Services, Office of the Auditor, and Stadium Authority.

Your Committee received comments on this measure from Tax Foundation of Hawaii.

Your Committee finds that in 2002, the land originally identified for the Kapolei recreational sports complex was transferred to the University of Hawaii-West Oahu for use other than as a sports complex. Accordingly, the purpose for which the Kapolei recreational sports complex special fund was intended no longer exists, and the special fund should be repealed. Your Committee further finds that the prepaid airport use charge fund is more appropriately classified as a trust fund rather than a special fund. In addition, the photo enforcement revolving fund is inactive and should be abolished.

Your Committee has amended this measure by making conforming amendments to repeal other references in the Hawaii Revised Statutes to the Kapolei recreational sports complex.

As affirmed by the record of votes of the members 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. 2415, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2415, 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, Galuteria, Slom).

SCRep. 3460 Ways and Means on H.B. No. 2638

The purpose and intent of this measure is to improve the management and condition of state low-income housing projects administered by the Hawaii Public Housing Authority.

More specifically, this measure:

- (1) Establishes a five-year maximum term of tenancy, with rental rate fixed as a percentage of the tenant's income for individuals who are less than sixty-five years of age and are not disabled;
- (2) Requires a tenant subject to the five-year maximum tenancy term to participate in the federal Family Self-Sufficiency Program and a trust savings account program, wherein a percentage of the tenant's rental payments are deposited into a trust account administered by the Authority, matched with state funds, and released to the tenant upon vacating the dwelling unit;
- (3) Conditions the Authority's ability to renovate and rent vacant dwelling units in state low-income housing projects upon an individual's agreement to be subject to the five-year maximum tenancy period and to participate in the federal Family Self-Sufficiency Program and the trust savings account program;
- (4) Authorizes the issuance of general obligation bonds to finance repair and maintenance of state low-income housing projects; and
- (5) Appropriates funds to the Department of Human Services for repair and maintenance of state low-income housing projects, provision of matching funds for tenant trust accounts, and establishment of positions in the Hawaii Public Housing Authority to manage trust account funds.

Your Committee received written comments in support of this measure from the General Contractors Association of Hawaii and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Appleseed Center for Law and Economic Justice and two individuals.

Your Committee received written comments on this measure from the Governor's Coordinator on Homelessness, the Hawaii Public Housing Authority, and Catholic Charities Hawaii.

Your Committee finds that making safe, well-maintained, and affordable housing available to low-income tenants remains a challenge in the State. As a major provider of affordable housing, the Hawaii Public Housing Authority needs the necessary tools and resources to effectively manage and maintain its inventory of housing units.

Your Committee has amended this measure by:

- (1) Adding a purpose section to provide general descriptions of the main provisions of the measure;
- (2) Organizing the measure into five numbered parts for ease of reference;
- (3) Deleting provisions that would have established a five-year maximum term of tenancy for individuals who are less than sixty-five years of age and are not disabled;
- (4) Requiring tenants who receive moneys from their trust accounts to spend all the moneys on purchases related to housing;
- (5) Adding provisions that specify tenancy termination requirements upon the termination of the tenancy of the last household member who was an original household member at the time that the initial lease or rental agreement was executed;
- (6) Specifying that the Hawaii Public Housing Authority, rather than the Department of Human Services, shall be the expending agency for appropriations authorized by the measure; and
- (7) Conforming internal cross-references 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. 2638, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2638, 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. 3461 Commerce, Consumer Protection, and Health on H.B. No. 260

The purpose and intent of this measure is to authorize the Insurance Commissioner to issue a limited license to any owner, operator, or employee of a self-service storage facility to sell or solicit insurance on property or personal effects stored in a tenant's space at a self-service storage facility.

Prior to holding a hearing on this measure, your Committee made available for public review a proposed S.D. 1 of this measure. The proposed S.D. 1 deleted the contents of this measure and inserts provisions that establish motor vehicle insurance requirements for transportation network companies and transportation network company drivers, with an effective date of July 1, 2016.

Your Committee received testimony in support of the proposed S.D. 1 from the Property Casualty Insurers Association of America, Hawaii Insurers Council, and USAA. Your Committee received testimony in opposition to the proposed S.D. 1 from the National Association of Professional Surplus Lines Offices, Ltd.; Uber Technologies; Lyft; Hawaii Association for Justice; and one individual. Your Committee received comments on the proposed S.D. 1 from the Department of the Attorney General, Department of Commerce and Consumer Affairs, Department of Transportation, and Hawaii Transportation Association.

Your Committee finds that transportation network companies are entities that use a digital network or software application service to connect passengers with transportation network company drivers. Your Committee further finds that concerns have been raised about potential gaps in motor vehicle insurance coverage associated with transportation network companies. In response, by the end of 2015, twenty-nine states had enacted legislation to establish insurance requirements covering transportation network companies and drivers. Your Committee further finds that the proposed S.D. 1 protects transportation network company drivers, their passengers, and the public by establishing responsible insurance requirements for the transportation network company industry in Hawaii.

Your Committee has heard the concern that language in the proposed S.D. 1, which requires a transportation network company insurance carrier to be licensed to do business as a surplus lines motor vehicle insurance company in the State, may conflict with certain existing federal and state laws. Your Committee understands these concerns and concludes an amendment to the proposed S.D. 1 to delete this language is appropriate.

Your Committee additionally finds that in 2015, motor vehicle insurers and transportation network companies recently reached a national agreement to address certain gaps in insurance coverage and provide a framework to ensure safe transportation options that protect transportation network company drivers, riders, and the public. The National Conference of Insurance Legislators' Transportation Network Company Model Act recognizes the unique status of a personal vehicle when used by a transportation network company driver and the distinct periods of use associated with transportation network company drivers. Furthermore, the model act also requires that all other compulsory coverages required by state law also be included. For Hawaii, this means that personal injury protection benefits must be required coverage while a transportation network company driver is available to receive prearranged rides or engaged in a prearranged ride. Your Committee concludes that amendments to the proposed S.D. 1 are necessary to mirror some of the language from the model act.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Inserting definitions for “personal vehicle” and “prearranged ride” and making conforming amendments associated with these new definitions;
- (2) Deleting a definition for “transportation network company activity” and making conforming amendments associated with this removed definition;
- (3) Deleting language regarding what constituted a transportation network company fare, as this language is more appropriately addressed within the definition of “prearranged ride”;
- (4) Clarifying the motor vehicle insurance requirements for a transportation network company driver or transportation network company on the transportation network company driver’s behalf, including:
 - (A) Requiring the primary motor vehicle insurance to cover the transportation network company driver while the driver is logged onto the transportation network company’s digital network or software application service or engaged in a prearranged ride;
 - (B) Specifying the insurance requirements that apply when a driver is logged onto the digital network but not engaged in a prearranged ride;
 - (C) Specifying the insurance requirements that apply while a driver is engaged in a prearranged ride;
 - (D) Clarifying the limits of motor vehicle insurance coverage maintained by a transportation network company;
 - (E) Clarifying the optional insurance coverage options that must be offered and which a transportation network company driver or transportation network company on the transportation network company driver’s behalf may then elect to purchase;
 - (F) Clarifying the insurers under which insurance proposed by this measure may be placed;
 - (G) Clarifying when the insurance requirements proposed by this measure are deemed satisfied;
 - (H) Clarifying the requirements for a transportation network company driver to carry proof of coverage during the use of a personal vehicle in connection with a transportation network company’s digital network or software application service and provide insurance coverage information to specified parties in the event of an accident or pursuant to an accident investigation; and
 - (I) Deleting language that would have required a transportation network company insurance carrier to be licensed to do business as a surplus lines motor vehicle insurance company in the State;
- (5) Deleting language that would have prohibited this measure from limiting or affecting a motor vehicle insurance policy applicable to a passenger, pedestrian, or person other than a transportation network company driver while the driver was engaged in transportation network company activity, as this language was ambiguous and potentially confusing; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this amended measure establishes an appropriate motor vehicle insurance framework for transportation network companies and transportation network company drivers in Hawaii and ensures that the services provided by transportation network companies do not affect the rates of all purchasers of personal motor vehicle insurance policies in the State.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 260, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 260, 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, 4. Noes, none. Excused, 3 (Ihara, Ruderman, Slom).

SCRep. 3462 Judiciary and Labor on H.B. No. 1561

The purpose and intent of this measure is to amend the nuisance abatement laws to authorize civil suits to abate violations of trespass and other offenses that involve the unlawful occupation of real property, including an order of abatement permanently prohibiting the perpetrators from residing in or entering into the subject real property.

Your Committee received testimony in support of this measure from the Hawaii Association of REALTORS and twenty-three individuals.

Your Committee finds that squatters may use unscrupulous means to obtain a fraudulent lease agreement and live rent-free on property until someone notices and decides to take legal action. However, legal action, such as eviction proceedings, may take months to resolve at a high financial cost. This measure will help accelerate the process of removing unlawful occupants on real property.

Your Committee has amended this measure by:

- (1) Inserting a savings clause;
- (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. 1561, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1561, 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 (Thielen, Slom).

SCRep. 3463 Judiciary and Labor on H.B. No. 1578

The purpose and intent of this measure is to:

- (1) Establish the theft of an urn as a class C felony; and
- (2) Require scrap dealers to follow the same requirements regarding a written statement for the purchase of an urn as they do for the purchase of copper or a beer keg.

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.

Your Committee finds that this measure will help to prevent persons from stealing urns from cemeteries, especially for the metal redemption value of the urns. Your Committee believes that the theft of an urn should also be considered a form of desecration as urns are used to hold human ashes, which is a criminal offense with sentence of imprisonment of no more than one year, a fine of not more than \$10,000, or both under section 711-1107, Hawaii Revised Statutes (HRS).

Your Committee has amended this measure by:

- (1) Amending the offense of theft of urn to:
 - (A) Clarify that a violation of the offense includes obtaining an urn through any means described under the offense of theft under section 708-830, HRS, intentionally desecrating a columbarium or an urn under section 711-1107, HRS, or violating the statement requirements of scrap dealers under section 445-233, HRS, in regard to an urn; and
 - (B) Specify that the penalty imposed for the intentional desecration of an urn shall be pursuant to section 711-1107(3), HRS;
- (2) Amending the offense of desecration to include the intentional desecration of a columbarium or an urn;
- (3) Changing the effective date to 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. 1578, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1578, 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 (Kahele, Thielen, Slom).

SCRep. 3464 Judiciary and Labor on H.B. No. 2319

The purpose and intent of this measure is to amend requirements under the money transmitters law for money transmitter licensee change in control applications and update a reference to federal Regulation E.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that under the existing money transmitters law, only a money transmitter licensee may submit an application to the Commissioner of Financial Institutions requesting approval for a proposed change in control of the money transmitter licensee. This is impracticable in hostile takeover situations in which a licensee may be uncooperative. Accordingly, this measure expands the class of persons who may apply for the Commissioner's approval of a change in control. This measure also enhances consumer protection by enabling the Division of Financial Institutions of the Department of Commerce and Consumer Affairs to conduct criminal history record checks on persons assuming control of the money transmitter licensee, which will enable the Commissioner to determine whether the persons requesting approval of the change in control possess the requisite character and general fitness to properly and lawfully control the licensee without jeopardizing the interests of the public.

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. 2319, H.D. 1, 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 (Kahele, Shimabukuro, Thielen).

SCRep. 3465 Judiciary and Labor on H.B. No. 2326

The purpose and intent of this measure is to make numerous amendments to Hawaii's Mortgage Rescue Fraud Prevention Act, for consistency with the federal Mortgage Assistance Relief Services Rule.

Your Committee received testimony in support of this measure from the Office of Consumer Affairs of the Department of Commerce and Consumer Affairs.

Your Committee finds that there was no federal counterpart to Hawaii's Mortgage Rescue Fraud Prevention Act, which protects consumers from mortgage rescue scams, until 2010, when the Federal Trade Commission adopted the Mortgage Assistance Relief Services Rule. Your Committee further finds that although state law and federal regulation are designed to protect consumers from

abusive mortgage relief practices, they take different approaches to identify consumers who may be in need of protection. For example, Hawaii's law focuses on properties already in distress, while the federal regulation focuses more broadly on the nature of mortgage assistance rescue services being offered.

Your Committee additionally finds that this measure resolves existing conflicts and inconsistencies between state law and federal regulations and will enable enforcement agencies to provide increased protection for vulnerable Hawaii homeowners who may be targeted by mortgage rescue scams.

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. 2326, H.D. 1, 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 (Kahele, Shimabukuro, Thielen).

SCRep. 3466 Judiciary and Labor on H.B. No. 2335

The purpose and intent of this measure is to:

- (1) Authorize the Hawaii Medical Board to impose the same disciplinary action against a licensee as was taken by another state or federal agency;
- (2) Establish conditions for the disciplinary action; and
- (3) Prohibit the licensee from practicing until a final order of discipline is issued if the licensee has been prohibited from practicing in another state.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Hawaii Medical Board, and Hawaii Medical Association.

Your Committee finds that under existing law, the reasons for which the Hawaii Medical Board can impose reciprocal discipline on a Hawaii licensee are limited. This measure will protect Hawaii consumers during the disciplinary process by prohibiting a licensee who has been banned from practicing in another jurisdiction from practicing in Hawaii until the Hawaii Medical Board issues a final order. This protection ensures that Hawaii patients will not be at risk of receiving medical treatment from a licensee who was the subject of serious discipline elsewhere.

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. 2335, H.D. 1, 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 (Kahele, Shimabukuro, Thielen).

SCRep. 3467 Judiciary and Labor on H.B. No. 2604

The purpose and intent of this measure is to clarify that acceptance by the Territorial Legislature or the Legislature of a dedication of land in the Kakaako Community Development District by a private owner is sufficient to convey title to the State.

Your Committee received testimony in support of this measure from eight individuals. Your Committee received testimony in opposition to this measure from the Department of Land and Natural Resources and Department of Transportation. Your Committee received comments on this measure from the Department of the Attorney General, Hawaii Community Development Authority, and Chamber of Commerce Hawaii.

Your Committee finds that there is currently a dispute regarding ownership of public rights-of-way in the Kakaako Community Development District. Lands claimed by a private entity via quit claim deed are otherwise considered to be public roadways; however, the unimproved roadway shoulders are currently being administered as private property. These rights-of-way and shoulders include but are not limited to portions of Queen, Kawaiahao, and Waimanu Streets, Cummins Street, the attendant unimproved roadway shoulders, and other streets or real estate not yet identified within the Kakaako Community Development District. This measure seeks to clarify whether past or prospective legislative action regarding the acceptance of dedicated real property in the Kakaako Community Development District is sufficient to have conveyed or to convey title to the State.

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. 2604, H.D. 1, 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 (Kahele, Shimabukuro, Thielen).

SCRep. 3468 Judiciary and Labor on H.B. No. 799

The purpose and intent of this measure is to clarify the authority of the State and its employees and independent contractors to kill or attempt to kill wildlife by aerial means in furtherance of official state duties.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Department of Transportation, Conservation Council for Hawai'i, O'ahu Invasive Species Committee, and The Nature Conservancy. Your Committee received testimony in opposition to this measure from the Hawaii Hunting Association and two individuals. Your Committee received comments on this measure from The Humane Society of the United States.

Your Committee finds that aerial shooting is a core tool to control invasive non-native ungulates that destroy native forests and associated watersheds. According to written testimony submitted by the Department of Land and Natural Resources, this tool is necessary to carry out the Department's work pursuant to law, protect state forests, control erosion, and protect endangered species.

This measure clarifies the State's authority to use aerial shooting as a means to control, maintain, and protect the State's natural resources.

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. 799, H.D. 2, 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 (Kahale, Shimabukuro, Thielen).

SCRep. 3469 Ways and Means on H.B. No. 2165

The purpose and intent of this measure is to address the United States Navy's and United States Defense Logistics Agency's compliance with the Administrative Order on Consent to evaluate and remediate environmental damage from the fuel leaks at the Red Hill Bulk Fuel Storage Facility and to implement measures to prevent future leaks.

More specifically, this measure:

- (1) Appropriates moneys for the Department of Health to hire experts to monitor compliance with the Administrative Order on Consent;
- (2) Requires the Department of Health to seek reimbursement from the United States Navy and United States Defense Logistics Agency for the appropriated moneys; and
- (3) Requires the Department of Health to annually report on the United States Navy's and United States Defense Logistics Agency's compliance with the Administrative Order on Consent.

Your Committee received written comments in support of this measure from the Department of Health and the City and County of Honolulu Board of Water Supply.

Your Committee finds that the Red Hill Bulk Fuel Storage Facility is an impressive civil engineering facility that consists of twenty underground fuel storage tanks that are capable of holding over 250,000,000 gallons of fuel. However, some of the storage tanks at this facility have a history of leaking fuel, which can negatively affect the groundwater in the area.

Your Committee further finds that the Environmental Protection Agency and the Department of Health negotiated an Administrative Order on Consent that requires the United States Navy and United States Defense Logistics Agency to evaluate and remediate environmental damage from the fuel leaks and evaluate and implement measures to prevent future leaks. However, the Administrative Order on Consent does not provide a specific timeline for the United States Navy's and the United States Defense Logistics Agency's compliance with the Administrative Order on Consent.

Your Committee believes that the dangers of fuel leaking into the groundwater and the lack of a specific timeline in the Administrative Order on Consent are matters of statewide concern. Accordingly, your Committee finds that measures should be taken to monitor compliance by the United States Navy and the United States Defense Logistics Agency with the Administrative Order on Consent.

Your Committee notes that, as introduced, this measure included appropriations of approximately \$300,000 for staff, and \$800,000 for contract and service procurement. Additionally, your Committee notes that the Department of Health has requested a minimum of three full-time equivalent positions to carry-out the purposes of 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. 2165, 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 (English, Inouye).

SCRep. 3470 Ways and Means on H.B. No. 2606

The purpose and intent of this measure is to create a temporary retirement benefit incentive for members of the Employees' Retirement System.

Specifically, this measure authorizes a member to increase the member's service credit by up to three years, if the member, during the temporary effective period of this measure:

- (1) Serves in a position that has been identified for layoff due to the consolidation or abolition of functions, or the privatization of the functions of the position; and
- (2) Is otherwise eligible for a service retirement when applying for retirement.

Your Committee received written comments in support of this measure from the Hawaii Government Employees Association. Your Committee received written comments in opposition to this measure from the Department of Budget and Finance and the Employees' Retirement System.

Your Committee finds that this measure will provide a small measure of financial security to members who are forced to leave public service due to events beyond their own control.

As affirmed by the record of votes of the members 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. 2606, 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, none. Excused, 1 (Slom).

SCRep. 3471 Ways and Means on H.B. No. 2088

The purpose and intent of this measure is to encourage the growth of the State's creative media industries.

Specifically, this measure extends the sunset date of the provisions in Act 88, Session Laws of Hawaii 2006, as amended, that enhanced the State's motion picture, digital media, and film production income tax credit, from January 1, 2019, to January 1, 2024.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; CBS Corporation; Motion Picture Association of America; and NBC Universal Media, LLC.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that creative media industries in Hawaii are an important component of a diversified economy. Your Committee also finds that the motion picture, digital media, and film production income tax credit has been effective in stimulating the economy and creating quality jobs in a high technology industry, while promoting Hawaii as a visitor destination. Your Committee further finds that the creative media production process can extend over several years, due to extensive planning and development in the preproduction stage. Your Committee finds that the sunset date for the enhanced tax credit and other components of the motion picture, digital media, and film production income tax credit, currently scheduled for January 1, 2019, may discourage new productions.

Your Committee notes that, based on the measure's original effective date of July 1, 2016, the Department of Taxation estimates that the measure would result in an annual revenue loss of \$45,000,000 for fiscal years 2020 to 2024.

As affirmed by the record of votes of the members 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. 2088, 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 (Slom).

SCRep. 3472 Ways and Means on H.B. No. 2550

The purpose and intent of this measure is to appropriate moneys to the Department of Business, Economic Development, and Tourism for the promotion of the Department of Agriculture's existing made in Hawaii brand program.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Department of Agriculture, High Technology Development Corporation, Chamber of Commerce Hawaii, K. Yamada Distributors, and Meadow Gold Dairies.

Your Committee finds that products made in Hawaii and the made in Hawaii brand are well-known by consumers and play an important role in the State's manufacturing and tourism industries. Despite the importance of the brand, some businesses have attempted to sell non-Hawaii made products as made in Hawaii. Accordingly, it is important for the State to preserve the integrity of products made in Hawaii and the made in Hawaii brand. Your Committee believes that the active promotion of a positive image for products made in Hawaii and the made in Hawaii brand contributes affirmatively to the economy and reinforces the strength of the products and brand.

Your Committee notes that the requested appropriation amount is \$150,000.

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. 2550, 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 (English, Inouye, Slom).

SCRep. 3473 Ways and Means on H.B. No. 2051

The purpose and intent of this measure is to appropriate funds for the State Building Code Council's operations and duties.

Your Committee received written comments in support of this measure from the State Building Code Council; Hawaii State Fire Council; American Council of Engineering Companies of Hawaii; American Institute of Architects; Hawaii Laborers-Employers Cooperation and Education Trust; Land Use Research Foundation of Hawaii; Structural Engineers Association of Hawaii; Building Industry Association of Hawaii; Subcontractors Association of Hawaii; General Contractors Association of Hawaii; Hawaii Laborers Union Local 368; and one individual.

Your Committee received written comments in opposition to this measure from the Department of Accounting and General Services.

Your Committee finds that this measure provides funds necessary for the State Building Code Council to operate and perform its 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. 2051, 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 (English, Inouye, Slom).

SCRep. 3474 Ways and Means on H.B. No. 2569

The purpose and intent of this measure is to provide funding to improve public school classrooms.

Specifically, this measure provides funding for air conditioning, heat abatement, energy efficient lighting, and other energy efficiency measures at Department of Education schools by:

- (1) Appropriating \$100,000,000 in general funds; and
- (2) Authoring the Director of Finance to issue \$30,000,000 in general obligation bonds.

Your Committee received written comments in support of this measure from the Department of Education; Department of Business, Economic Development, and Tourism; Board of Education; Hawaii State Teachers Association; and IMUAlliance.

Your Committee received comments on this measure from the Hawaii Green Infrastructure Authority and Hawaiian Electric Company, Inc.

Your Committee finds that the percentile gap between students who learn in an air conditioned and a non-air conditioned environment can reach as high as seventeen per cent on achievement tests. Your Committee further finds that the funds appropriated by this measure, along with recent reductions in costs for photovoltaic modules, power-saving batteries, and energy efficient lighting, will dramatically assist the Department of Education in meeting the Governor's goal to cool one thousand classrooms within the next two years.

Your Committee wishes to make it clear that it expects the Department of Education to expend the funds appropriated by this measure solely for the installation of and equipment for air conditioning, heat abatement, energy efficient lighting, and other energy efficiency measures at Department of Education classrooms.

Your Committee requests the Department of Education continue to issue reports on its heat abatement program, to continue to share those reports on the department's website, and to include information on the expenditure of the funds appropriated by this measure within those 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. 2569, 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 (English, Taniguchi).

SCRep. 3475 (Joint) Ways and Means and Judiciary and Labor on H.B. No. 2524

The purpose and intent of this measure is to address the payment of incentives and other bonuses for teachers at public charter schools.

Specifically, this measure:

- (1) Prohibits paying for teacher incentive programs, bonuses, and other required compensation beyond regular wages out of a public charter school's facilities funding or per-pupil funds; and
- (2) Requires that, beginning with the 2017-2018 fiscal year, the funding request for teacher incentive programs, bonuses, and other required compensation beyond regular wages shall be a separate line item in the general appropriations act and supplemental appropriations act.

Your Committees received written comments in support of this measure from the Office of Hawaiian Affairs, State Public Charter School Commission, Hawaii State Teachers Association, and one individual.

Your Committees received written comments in opposition to this measure from the Department of Budget and Finance.

Your Committees find that the Department of Education maintains a fund to pay incentive bonuses for teachers at Department of Education schools. However, public charter schools do not have a corresponding fund and must pay the bonuses out of facilities funding or per-pupil funds. This places an additional burden on public charter schools and is especially onerous on small charter schools and those in hard-to-fill areas. Your Committees also find that requiring that bonuses for teachers at public charter schools be paid from an allocation that is separate from the charter schools' facilities funding and per-pupil allocation will assist charter schools in paying for mandated incentives to attract quality educators.

Your Committees request the Hawaii State Public Charter School Commission to determine the appropriation amount that the Commission believes will be necessary to effectuate the purposes of this measure.

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 H.B. No. 2524, H.D. 1, S.D. 1, and recommend that it pass Third Reading.

Signed by the Chairs on behalf of the Committees.
Ways and Means: Ayes, 11. Noes, none. Excused, none.
Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahale, Kim, Thielen).

SCRep. 3476 Ways and Means on H.B. No. 2680

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for the financing of various projects at the Kaloko reservoir.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, American Society of Civil Engineers, and Mary Lucas Trust.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that the Kaloko reservoir is an earthen dam that is over one hundred twenty-five years old. In March 2006, a breach in the dam's embankment caused the death of seven people, destroyed several homes, and devastated the downstream forested area. Your Committee notes that the dam facility is under a water storage restriction because it does not comply with current safety standards. Providing financial resources will permit the owners of the Kaloko reservoir to bring the facilities into compliance and reduce the risk of a disaster similar to the March 2006 tragedy.

As affirmed by the record of votes of the members 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. 2680, 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 (English, Harimoto).

SCRep. 3477 Ways and Means on H.B. No. 2681

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds for the purpose of providing financing to properly breach, modify, or provide improvements to Wailuku Reservoir No. 6.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, American Society of Civil Engineers, and one individual.

Your Committee received written comments on this measure from the Department of Budget and Finance.

Your Committee finds that Wailuku Reservoir No. 6 is an off-stream reservoir in Wailuku on the island of Maui. The reservoir is a storm water retention structure and is surrounded by residential developments. Due to the reservoir's proximity to residential developments, a failure of the reservoir would likely result in a loss of human life. Your Committee believes that with sufficient funding, the owner of the reservoir can properly address the safety concerns of the reservoir and remove the risk of dam failure to the surrounding 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 H.B. No. 2681, 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 (English, Harimoto).

SCRep. 3478 Ways and Means on H.B. No. 2715

The purpose and intent of this measure is to require the Department of Labor and Industrial Relations to contract with an experienced actuarial firm to perform a study on closed claims in the State's workers' compensation system.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Chamber of Commerce Hawaii, and Hawaii Insurers Council.

Your Committee finds that although workers' compensation premiums in Hawaii have dropped significantly since the reforms in the mid-1990s, legislation is introduced every year alleging unfair treatment of injured workers, including the untimely processing of workers' compensation claims. Your Committee believes that a closed claims study that objectively reviews the necessity of specific statutory changes is warranted.

Your Committee notes that the Department of Labor and Industrial Relations is requesting a general fund appropriation of \$250,000 for the purposes of 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. 2715, H.D. 2, 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 (English, Inouye, Slom).

SCRep. 3479 (Majority) Ways and Means on H.B. No. 1653

The purpose and intent of this measure is to require that voting be conducted by mail.

Specifically, this measure:

- (1) Requires the Office of Elections, beginning with the 2018 primary election, to implement elections by mail in a county with a population of less than 100,000;
- (2) Requires the Office of Elections, beginning with the 2020 primary election, to implement elections by mail statewide for all elections;
- (3) Establishes procedures for the mailing of ballots to voters and the contents of included voting instructions;
- (4) Establishes procedures for a voter to obtain a replacement ballot;
- (5) Requires county clerks to establish voter service centers to provide voters with a location to return completed ballots as an alternative to placing the ballot in the mail;
- (6) Establishes how election expenses shall be allocated between the county and the State;
- (7) Establishes procedures for the disclosure of voting results if an election is postponed;
- (8) Allows a voter to request that a ballot be temporarily mailed to an address other than the voter's permanent mailing address; and

- (9) Appropriates funds for the Office of Elections to conduct a public awareness campaign on elections by mail.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, County of Maui Office of the County Clerk, Disability and Communication Access Board, League of Women Voters, and four individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received comments on this measure from the Office of Elections.

Your Committee finds that elections conducted by mail would help to make the voting process more convenient and may result in increased voter participation. Your Committee further finds that allowing the Office of Elections and the county clerks to focus on an election conducted by mail, instead of the current three-system process of absentee mail, absentee walk-in, and election day polling places, would increase government efficiency and save an estimated \$800,000 each election cycle.

Your Committee believes this measure should advance to provide the subject matter committees with an opportunity to further refine the language of the measure and consider the amendments suggested by the Office of Elections.

As affirmed by the record of votes of the members 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. 1653, 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, 1 (Slom). Excused, 2 (English, Taniguchi).

SCRep. 3480 Ways and Means on H.B. No. 2416

The purpose and intent of this measure is to repeal chapter 201N, Hawaii Revised Statutes, relating to the renewable energy facility siting process.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism and the Office of the Auditor.

Your Committee notes that the renewable energy facility siting process was established pursuant to Act 207, Session Laws of Hawaii 2008. However, your Committee also notes that the Auditor's Report No. 14-13 found that no project has completed the siting process and the Department of Business, Economic Development, and Tourism has not implemented a siting process program. The Auditor also reported that the renewable energy facility siting special fund, created to fund the operation and administration of the renewable energy facility siting process, maintained a balance of \$0 from the beginning of fiscal year 2009–2010, to the end of fiscal year 2013–2014, and has not demonstrated the capacity to be self-sustaining. Further, the special fund is expected to have an unencumbered cash balance of \$0 throughout fiscal year 2015-2016. Accordingly, your Committee finds that chapter 201N, Hawaii Revised Statutes, should be repealed due to a lack of implementation.

As affirmed by the record of votes of the members 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. 2416, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Galuteria).

SCRep. 3481 Ways and Means on H.B. No. 2363

The purpose and intent of this measure is to address workers' compensation and temporary disability insurance coverage.

More specifically, this measure:

- (1) Excludes sole proprietors, individual partners of a partnership, partners of a limited liability partnership with a transferable interest of at least fifty per cent, individual members of a limited liability company with a distributional interest of at least fifty per cent, or individuals owning at least fifty per cent of a corporation from providing temporary disability insurance coverage for services they provide for themselves;
- (2) Authorizes the Director of Labor and Industrial Relations to receive electronic copies of injury and other reports required under the workers' compensation law;
- (3) Increases the maximum penalty for employers or insurance carriers who fail to make correct or timely workers' compensation benefit payments or terminate such benefits without approval or statutory cause from \$2,500 to \$5,000;
- (4) Increases the maximum penalty for physicians who fail to timely file workers' compensation injury and treatment reports from \$250 to \$500;
- (5) Increases the maximum penalty for employers who fail to furnish workers' compensation medical reports or to allow inspection and copying of requested medical depositions from \$1,000 to \$5,000;
- (6) Increases the penalty for employers who fail to provide workers' compensation coverage for employees from the greater of at least \$250 or \$10 per employee per day of failure, to the greater of at least \$500 or \$100 per employee per day of failure;
- (7) Increases the maximum penalty for employers who deduct workers' compensation premium payments from an employee's wages from \$2,500 to \$5,000; and
- (8) Increases the penalty for employers who fail to provide temporary disability insurance coverage for employees from the greater of at least \$25 or \$1 per employee per day of failure, to the greater of at least \$500 or \$100 per employee per day of failure.

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 Chamber of Commerce Hawaii.

Your Committee finds that employers sometimes misclassify employees and independent contractors and thus do not always provide workers' compensation or temporary disability insurance coverage to affected employees. The State has not amended its penalties for noncompliance with the workers' compensation law since 1988, thus limiting its effectiveness in ensuring compliance.

This measure will provide better assurance that employers and stakeholders in the workers' compensation and temporary disability insurance industries comply with the law, and will facilitate the resolution of workers' compensation cases and expedite medical and indemnity benefits for injured 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 H.B. No. 2363, 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 (English, Inouye, Sлом).

SCRep. 3482 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2264

The purpose and intent of this measure is to make an appropriation to the High Technology Development Corporation for the provision of technology internship grants and development of programs to support the local talent pipeline for the technology industry.

Your Committees received testimony in support of this measure from the High Technology Development Corporation and Chamber of Commerce Hawaii.

Your Committees find that the High Technology Development Corporation is a key agency in developing the technology industry in the State. Your Committees further find that internships have proven to be an effective way to introduce talent to careers in the technology industry and provide startup companies with resources to help them grow to the next level. Implementation of this measure will support local talent and further the High Technology Development Corporation's goal of creating eighty thousand new technology and innovation jobs earning more than \$80,000 per year by 2030.

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. 2264, 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 (Kahale, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3483 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2204

The purpose and intent of this measure is to repeal statutory sections related to annual increment and longevity step salary increases for Department of Education teachers and educational officers because these increases are determined through collective bargaining.

Your Committees received testimony in support of this measure from the Department of Budget and Finance, Department of Education, Office of Collective Bargaining, Department of the Attorney General, and one individual.

Your Committees find that the statutory sections related to annual increment and longevity step salary increases were enacted in 1953, before public sector collective bargaining was established. Your Committees further find that in 1986, annual salary increments and longevity steps were made mandatory subjects of negotiation in collective bargaining. As a result of this change in the law, the statutory provisions related to annual increment and longevity step salary increases are no longer necessary.

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. 2204, 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 (Kahale, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3484 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 710 and 711

Recommending that the Senate advise and consent to the nominations of the following:

REAL ESTATE COMMISSION

G.M. No. 710 BRUCE FAULKNER, for a term to expire 06-30-2020; and

G.M. No. 711 SCOTT ARAKAKI, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Bruce Faulkner and Scott Arakaki to possess the requisite qualifications to be nominated to the Real Estate Commission.

BRUCE FAULKNER

Your Committee received testimony in support of the nomination for the reappointment of Bruce Faulkner from the Real Estate Commission, Hawai'i Association of REALTORS, and five individuals.

Upon review of the testimony, your Committee finds that Mr. Faulkner's background, knowledge, and prior experience on the Real Estate Commission qualify him to be nominated for reappointment to the Real Estate Commission as a real estate broker member representing Maui County. Your Committee notes that Mr. Faulkner has been a licensed real estate agent for thirty years and a licensed real estate broker for twenty years and currently maintains his own brokerage firm in Makawao, Maui. Mr. Faulkner is also actively involved in his community on Maui and with professional organizations, including the REALTOR Association of Maui and the Hawaii Association of REALTORS, where he has served on the Board of Directors and as a member of the Strategic Planning Committee. Your Committee further finds that Mr. Faulkner has been a member of the Real Estate Commission since 2012, currently serves as Vice Chairperson of the Commission's Condominium Review Committee, and has a keen knowledge of the laws and rules that affect the Commission's work. Your Committee therefore recommends that Mr. Faulkner be reappointed to the Real Estate Commission based on his knowledge, experience, and commitment to public service.

SCOTT ARAKAKI

Your Committee received testimony in support of the nomination for the reappointment of Scott Arakaki from the Real Estate Commission, Hawai'i Association of REALTORS, and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Arakaki's background, knowledge, and prior experience on the Real Estate Commission qualify him to be nominated for reappointment to the Real Estate Commission as a public member representing the City and County of Honolulu. Your Committee notes that Mr. Arakaki is a real estate litigation attorney with over twenty years of experience and is currently an attorney with the law firm Badger Arakaki, L.L.C. Mr. Arakaki is also an active member of the Association of Real Estate License Law Officials (ARELLO) and the knowledge and experience Mr. Arakaki gained at ARELLO conferences has enabled him to better inform and educate Hawaii consumers and licensees about real estate law and issues in the State. Your Committee further finds that Mr. Arakaki has been a member of the Real Estate Commission since 2012, where he serves as Chairperson of the Laws and Rules Committee and Co-Chairperson of the Blue Ribbon Condominium Committee, and has a thorough understanding of the laws and rules that affect the Commission's work. Your Committee therefore recommends that Mr. Arakaki be reappointed to the Real Estate Commission based on his experience, background, and dedication to serving the community.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3485 Human Services on Gov. Msg. Nos. 715, 716, 717, 718, 719, 720, 721, 722, 723, and 724

Recommending that the Senate advise and consent to the nominations of the following:

STATE REHABILITATION COUNCIL

- G.M. No. 715 ANN LEMKE, for a term to expire 06-30-2019;
- G.M. No. 716 HOWARD LESSER, for a term to expire 06-30-2016;
- G.M. No. 717 HOWARD LESSER, for a term to expire 06-30-2019;
- G.M. No. 718 JODI ASATO, for a term to expire 06-30-2019;
- G.M. No. 719 JOHN KUWAYE, for a term to expire 06-30-2016;
- G.M. No. 720 JOHN KUWAYE, for a term to expire 06-30-2019;
- G.M. No. 721 SCOTT MURAKAMI, for a term to expire 06-30-2016;
- G.M. No. 722 SCOTT MURAKAMI, for a term to expire 06-30-2019;
- G.M. No. 723 SHIRLEY SYPERT, for a term to expire 06-30-2016; and
- G.M. No. 724 SHIRLEY SYPERT, for a term to expire 06-30-2019

ANN LEMKE

Your Committee received testimony in support of the nomination for reappointment of Ann Lemke from the Department of Human Services.

Upon review of Ms. Lemke's background and personal statement, your Committee finds that Ms. Lemke's professional experience and background qualify her for nomination to the State Rehabilitation Council as a representative from a disability advocacy group and as the representative member of the Statewide Independent Living Council. Ms. Lemke is a Disability/Admissions Counselor at Windward Community College and currently serves on the State Rehabilitation Council. She is skilled in planning, implementing, and evaluating disability services and needs of students and has a thorough knowledge of the Americans with Disabilities Act of 1990 and Section 504 of the Rehabilitation Act of 1973. Your Committee finds that Ms. Lemke's experience as a person with a disability, along with her professional credentials and experience, will continue to be of great service to the State Rehabilitation Council.

HOWARD LESSER

Your Committee received testimony in support of the nomination for appointment and reappointment of Howard Lesser from the Department of Human Services and Hawaii Disability Rights Center.

Upon review of the testimony, your Committee finds that Mr. Lesser's professional experience and background qualify him for nomination to the State Rehabilitation Council as the representative member of the Client Assistance Program. Your Committee notes that Mr. Lesser has worked as an advocate for people with diverse and significant disabilities for more than thirty years, and has distinguished himself with his dedication to this field. Your Committee believes that Mr. Lesser's decades of experience as a Teacher Assistant, Counselor, Director of Rehabilitation, and Case Advocate, among other roles, and experience as a member of the State Rehabilitation Council continue to make Mr. Lesser an invaluable member of the Council.

JODI ASATO

Your Committee received testimony in support of the nomination of Jodi Asato from the Department of Human Services, Resource Centers of Hawaii, and one individual.

Upon review of the testimony, your Committee finds that Ms. Asato has spent the past fifteen years in the disability field with a focus in assistive technology for people with disabilities of all ages. Your Committee notes that Ms. Asato's experience with assistive technology gives her insight to the advantages and limitations of these technologies in vocational applications. Your Committee further finds that Ms. Asato has been nominated to the State Rehabilitation Council as a representative of business, industry, and labor based on her knowledge, experience, and commitment to public service.

JOHN KUWAYE

Your Committee received testimony in support of the nomination for appointment and reappointment of John Kuwaye from the Department of Human Services.

Upon review of the testimony and Mr. Kuwaye's resume and statements, your Committee finds that Mr. Kuwaye's professional experience and background qualify him for appointment and reappointment to the State Rehabilitation Council. In particular, your Committee finds that Mr. Kuwaye has contributed to the community of disabled individuals through his advocacy, notably through his work as Executive Producer of the 'Ōlelo television program, "Power of Hope". Your Committee further finds that Mr. Kuwaye has a thorough understanding of the role and responsibilities of board members and has been nominated for appointment and reappointment to the State Rehabilitation Council as a representative of a disability advocacy group as a recipient of vocational rehabilitation services based on his knowledge, experience, and commitment to public service.

SCOTT MURAKAMI

Your Committee received testimony in support of the nomination for appointment and reappointment of Scott Murakami from the Department of Human Services, Ship Repair Association of Hawaii, State of Hawaii Workforce Development Council, and three individuals.

Upon review of the testimony and Mr. Murakami's resume and statements, your Committee finds that Mr. Murakami's professional experience and background qualify him for nomination to the State Rehabilitation Council representing the State Workforce Development Council. In particular, your Committee finds that Mr. Murakami's experience in workforce programs and his experience in labor market analytics would be a valuable asset to the State Rehabilitation Council as it advises the Vocational Rehabilitation Division of the Department of Human Services on the effectiveness of and customer satisfaction with services provided by the Division and employment outcomes achieved by eligible individuals receiving services.

SHIRLEY SYPERT

Your Committee received testimony in support of the nomination for appointment and reappointment of Shirley Syper from the Department of Human Services. Your Committee received testimony in opposition to the nomination of Shirley Syper from one individual.

Upon review of the testimony and Ms. Syper's statements, your Committee finds that Ms. Syper's background qualifies her for nomination to the State Rehabilitation Council as a current or former recipient of vocational rehabilitation services. Your Committee notes that Ms. Syper has personally overcome physical disabilities and has been a vocal advocate for individuals afflicted with Post-Polio Syndrome. Your Committee further finds that Ms. Syper is a Producer of an educational children's show and assists with the broadcast of quarterly Citizens for a Fair ADA Ride meetings, and that she is hopeful that she can use her skills as a Producer for the benefit of the State Rehabilitation Council as well.

As affirmed by the records of votes of the members of your Committee on Human Services 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. 3486 Judiciary and Labor on H.B. No. 2090

The purpose and intent of this measure is to streamline the operations of the Office of the Assistant Registrar of the Land Court by removing the requirement that the Assistant Registrar certify uncertified certificates of title for fee time share interests.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, American Resort Development Association Hawaii, Wyndham Vacation Ownership, and one individual.

Your Committee finds that Hawaii's land court law, originally enacted in 1903, was intended to establish clear title to a parcel of land through a court proceeding by requiring the Land Court to determine the lawful owner of a parcel of real estate, then issue a certificate of title to that owner. From then on, an encumbrance could not affect title without first being filed in the Land Court, nor could a deed to convey title become effective without first being filed. Although the Land Court system worked well for a number of years, the eventual introduction of condominium projects and time share plans into the Land Court system created problems.

Your Committee further finds that in 2008, a legislative investigative committee identified serious shortcomings related to the Bureau of Conveyances. In 2009, legislation was passed to ease the backlog in Land Court recording and registration by, among other things, transferring fee simple time share interests from the Land Court system to the regular system. In 2012, additional legislation removed fee time share interests from the Land Court system, as of July 1, 2012. This was intended to lighten the load of the Assistant Registrar in the preparation and certification of the certificates of title for fee time share interests without delaying the removal of fee time share interests from the Land Court system.

However, the requirement for the Assistant Registrar to certify all the remaining uncertified fee time share certificates of title remains burdensome on the Assistant Registrar, due to resource limitations and the demands of new transactions. Accordingly, this measure streamlines the operations of the Assistant Registrar of the Land Court by removing the requirement that the Assistant Registrar certify all pending or otherwise uncertified certificates of title for fee time share interests, all of which were removed from the Land Court system as of July 1, 2012.

Your Committee has amended this measure by:

- (1) Clarifying under section 501-262(b), Hawaii Revised Statutes (HRS), that upon certification of an uncertified fee time share interest certificate of title, the certified certificate of title is subject to section 501-261(2), HRS; 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. 2090, 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. 2090, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Shimabukuro, Thielen).

SCRep. 3487 (Majority) Judiciary and Labor on H.B. No. 2629

The purpose and intent of this measure is to authorize county police departments to enroll firearms permit applicants and individuals who are registering their firearms into a criminal record monitoring service used to alert police when an owner of a firearm is arrested for a criminal offense anywhere in the country.

Your Committee received testimony in support of this measure from the Department of the Attorney General; Police Department, City and County of Honolulu; and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Members of the National Rifle Association of America, Hawaii Rifle Association, and twenty-one individuals.

Your Committee finds that properly updated criminal background information on firearms permit applicants is crucial to the safety of the public. The rap back program is a service of the Federal Bureau of Investigation that provides continuous criminal record monitoring for authorized government agencies, including law enforcement agencies, and notifies those agencies when a specified individual is arrested for a criminal offense anywhere in the nation. By authorizing the county police departments to enroll firearms permit applications and individuals who are registering their firearms into the rap back program, this measure will ensure that law enforcement agencies in Hawaii can more effectively screen prospective firearm owners and receive warning when a firearms owner has been disqualified from firearms ownership due to criminal activities in another state.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 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 Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2629, 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. 2629, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, 2 (Gabbard, Slom). Excused, 1 (Kahele).

SCRep. 3488 (Majority) Judiciary and Labor on H.B. No. 2632

The purpose and intent of this measure is to:

- (1) Upon notice that a person is disqualified from ownership, possession, or control of firearms and ammunition or who underwent or is undergoing emergency hospitalization due to a diagnosis of mental illness or suffering from substance abuse, require the chief of police to issue a notice to the disqualified person to immediately surrender all firearms and ammunition;
- (2) Establish requirements for the notice of immediate surrender of firearms and ammunition to a disqualified person;
- (3) Authorize the chief of police to seize all firearms and ammunition if the disqualified person fails to voluntarily surrender all firearms and ammunition upon receiving notice; and
- (4) Require that the surrendered or seized firearms and ammunition be held in police custody until the disqualified person has been medically documented to be no longer adversely affected by certain mental health diagnoses or treatment or until transferred or sold by the owner.

Your Committee received testimony in support of this measure from the Office of the Prosecuting Attorney, County of Hawai'i; Police Department, City and County of Honolulu; Injury Prevention Advisory Committee; and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Members of the National Rifle Association of America, Hawaii Rifle

Association, Institute for Rational and Evidence-based Legislation, and twenty-five individuals. Your Committee received comments on this measure from the Department of the Attorney General.

Your Committee finds that keeping firearms out of the hands of people who are suffering from mental illness is critical to ensuring the safety of those individuals and the general public. Existing law provides a thirty-day period from the date of written notice of disqualification for a firearms permit within which an owner who has been disqualified for any statutory reason must surrender the firearm and does not allow for any acceleration of the timeframe in more urgent situations. It is essential that the timeframe for removing firearms and ammunition from persons disqualified from firearm ownership, possession, or control for mental illness reasons be shortened to allow for immediate removal. This measure provides a mechanism for immediate removal once an individual has received notice of disqualification and subsequently fails to surrender that individual's firearms and ammunition.

Your Committee notes that some individuals who are hospitalized due to mental illness may have been admitted involuntarily rather than through an emergency admission. Emergency and involuntary psychiatric hospital admissions are subject to part IV of chapter 334, Hawaii Revised Statutes (HRS), and each type of admission requires a finding that the person is mentally ill or suffering from substance abuse, or is imminently dangerous to self or others.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that the reasons for disqualification from ownership, possession, or control of firearms and ammunition include emergency or involuntary hospitalization pursuant to part IV of chapter 334, HRS; 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. 2632, 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. 2632, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 5; Ayes with Reservations (Gabbard). Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 3489 Judiciary and Labor on H.B. No. 2740

The purpose and intent of this measure is to establish preauthorization standards that shall apply to all health insurers in the State, including health benefits plans under chapter 87A, Hawaii Revised Statutes, including:

- (1) Requiring preauthorization requests for medical treatment or service to be consistent with known, published, and current evidence-based appropriate-use criteria or guidelines for the appropriate specialty or subspecialty for which the preauthorization is requested;
- (2) Specifying requirements for insurers that require preauthorization of a medical treatment or service;
- (3) Specifying that preauthorization shall not be required for delivery of emergency medical services;
- (4) Requiring decisions on preauthorization requests to be made in accordance with nationally-accepted evidence-based appropriate-use criteria or guidelines and made publicly available to health care providers within a health insurer's network;
- (5) Requiring complaints regarding preauthorization to be filed with the Insurance Commissioner and inquiries associated with preauthorization denial or undue delay disputes to be filed with the Medical Inquiry and Conciliation Panel;
- (6) Specifying that an insurer is not prohibited from implementing preauthorization and permitting insurers from meeting otherwise established requirements for preauthorization, as required under existing state or federal programs;
- (7) Requiring the Insurance Commissioner to submit a report to the Legislature, no later than twenty days prior to the Regular Session of 2019, regarding the preauthorization standards; and
- (8) Including a three-year sunset date for the preauthorization standards.

Your Committee received testimony in support of this measure from the Hawaii Medical Association, American College of Emergency Physicians of Hawaii, Hawaii Injured Workers Association, and six individuals. Your Committee received testimony in opposition to this measure from the Hawaii Medical Service Association and five individuals. Your Committee received comments on this measure from the Department of the Attorney General and Department of Commerce and Consumer Affairs.

Your Committee finds that prior approval for medical services, also known as precertification or preauthorization, refers to health insurer requirements that certain physician-ordered treatments or services be approved in advance by the insurer or by a medical review service contracted by the insurer before the insurer will provide final reimbursement or payment. Preauthorization can help contain costs and ensure authorized medical treatment and services are consistent with current standards of care. Preauthorization can also promote accountability and mitigate against the overutilization of costly, potentially harmful, medical treatments and services. Furthermore, federal programs such as Medicaid and Medicare have specific guidelines regarding preauthorization of certain medical treatment and services.

However, your Committee further finds that preauthorization requirements may also create gaps in necessary and often critical health care coverage and believes that preauthorization requests and decisions should be made in accordance with evidence-based appropriate-use criteria or guidelines. This measure establishes standards that must be met for preauthorization of medical treatment and services to ensure timely and accurate responses to preauthorization requests.

Your Committee has amended this measure by:

- (1) Condensing the preamble under section 1;

- (2) Deleting language that would have required inquiries associated with preauthorization denial or undue delay disputes to be filed with the Medical Inquiry and Conciliation Panel;
- (3) Adding language that requires licensed health care providers to be defended and indemnified by an insurer for civil liability for injury to a patient that was caused by the insurer's undue delays in preauthorization;
- (4) Adding language to establish that an insurer that fails to meet the standards is civilly liable for any injury that occurs to a patient due to undue delay in receipt of medical treatment or services; 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. 2740, 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. 2740, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Thielen, Slom).

SCRep. 3490 (Majority) Judiciary and Labor on H.B. No. 625

The purpose and intent of this measure is to enhance protections against acts of gun violence committed by individuals with a history of dangerous behavior by including misdemeanor harassment by stalking and sexual assault among the offenses that disqualify a person from owning, possessing, or controlling any firearm or ammunition.

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; Police Department, City and County of Honolulu; Americans for Responsible Solutions; The Sex Abuse Treatment Center; Ho'omana Pono, LLC; and five individuals. Your Committee received testimony in opposition to this measure from the Hawaii Members of the National Rifle Association of America, Hawaii Rifle Association, Institute for Rational and Evidence-based Legislation, and twenty-four individuals.

Your Committee finds that sexual assault in the fourth degree and harassment by stalking can escalate into more violent conduct and eventually become lethal, particularly when firearms are involved. Research indicates a correlation between partner stalking, sexual assault, and the propensity for partner stalkers to use firearms against their victims. By restricting individuals with a history of these dangerous behaviors from owning or possessing firearms, this measure contributes to the safety and security of the public.

Your Committee has amended this measure by:

- (1) Clarifying under section 1 that its purpose is to specify, rather than add, misdemeanor harassment by stalking and sexual assault as crimes of violence that disqualify a person from owning, possessing, or controlling any firearm or ammunition;
- (2) Deleting references to offenses under the laws of another jurisdiction that are comparable to sexual assault in the fourth degree and harassment by stalking; 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. 625, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 625, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, 1 (Slom). Excused, 1 (Kahele).

SCRep. 3491 Judiciary and Labor on H.B. No. 1170

The purpose and intent of this measure is to provide clarity and consistency in the statutory regulation of geothermal and mineral resources.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; and one individual.

Your Committee finds that the Department of Land and Natural Resources is responsible for the regulation of geothermal resources in the State. Through the issuance of geothermal resource mining leases and regulatory permits, the Department is tasked to manage the resource and its development to protect the health and safety of the public and ensure the continued viability of geothermal resources for future generations. This measure reaffirms the State's responsibility over geothermal resources on state and reserved lands and provides consistency for geothermal resources among other renewable energy resources, such as wind, solar, hydropower, and biomass.

Your Committee has amended this measure by:

- (1) Adopting language suggested by the Department of Land and Natural Resources that provides clarity between the issuance of surface leases administered under chapter 171, Hawaii Revised Statutes (HRS), and the issuance of mining leases administered under chapter 182, HRS; 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. 1170, 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. 1170, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Shimabukuro, Thielen).

SCRep. 3492 Judiciary and Labor on H.B. No. 1713

The purpose and intent of this measure is to:

- (1) Exempt extracurricular service of employees from the State Ethics Code if certain conditions are met;
- (2) Define detached remuneration and extracurricular service; and
- (3) Require the review of any existing policy, procedure, or rule previously adopted by any department or other state agency for consistency and compliance with the exemption for extracurricular service of employees from the State Ethics Code.

Your Committee received testimony in support of this measure from the Department of Education. Your Committee received testimony in opposition to this measure from the Hawaii State Ethics Commission, Common Cause Hawaii, and League of Women Voters of Hawaii.

Your Committee finds that in State Ethics Commission Advisory Opinion No. 2015-1, the Commission found ethical violations in the longstanding practice of public school teachers receiving free travel and other benefits from tour companies when chaperoning students on out-of-state educational trips. The Commission determined that the dual role as teacher and tour company representative places public school teachers in a conflict of interest under the State Ethics Code and also raises concerns under the gifts law and the fair treatment law. Some believe that this Advisory Opinion may have an unintended effect of depriving students of valuable learning opportunities outside of the classroom, by making it difficult for teachers to afford activities that are largely contingent upon their participation, and may be based on a subjective and overly broad application of the State Ethics Code. By specifying certain conduct that may be exempt from the State Ethics Code, this measure prevents important opportunities, such as educational trips, from being lost.

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. 1713, 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. 1713, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kim, Thielen, Slom).

SCRep. 3493 Judiciary and Labor on H.B. No. 2017

The purpose and intent of this measure is to:

- (1) Authorize physicians to submit workers' compensation treatment plans to employers by certified mail or facsimile;
- (2) Beginning January 1, 2021, require employers to authorize physicians to submit workers' compensation treatment plans to employers by certified mail, facsimile, secure web portal, or secure electronic mail; and
- (3) Specify requirements for receipt and acceptance of treatment plans, including requiring an employer to file an objection to the treatment plan, evidence supporting the denial, and a copy of the denied treatment plan within seven business days after receipt.

Your Committee received testimony in support of this measure from the Hawaii Injured Workers Association; American Physical Therapy Association, Hawaii Chapter; and three individuals. Your Committee received testimony in opposition to this measure from the Department of Human Resources of the City and County of Honolulu. Your Committee received comments on this measure from the Department of Labor and Industrial Relations, Department of Human Resources Development, and one individual.

Your Committee finds that the State's existing system, which requires physicians to submit treatment plans in workers' compensation claims, is in need of modernization, given the many advancements in technology. Providing physicians with options, including facsimile, for the transmittal of treatment plans will improve the efficiency and responsiveness of all parties in Hawaii's workers' compensation system.

Your Committee has amended this measure by:

- (1) Replacing "certified mail" with "mail" throughout the measure;
- (2) Deleting all references to "secure web portal", "secure electronic mail", and "electronic mail address" throughout the measure;
- (3) Requiring physicians to send treatment plans to an address or facsimile number provided by, rather than as directed by, the employer;
- (4) Requiring an employer to file by mail or facsimile an objection to the treatment plan, evidence supporting the denial, and a copy of the denied treatment plan within ten business days after receipt, rather than within seven business days of receipt;
- (5) Amending section 1 to reflect its amended purpose; 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 H.B. No. 2017, 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. 2017, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Thielen, Slom).

SCRep. 3494 Ways and Means on H.B. No. 2166

The purpose and intent of this measure is to provide tax relief to low-income households by expanding the income tax credit eligibility for low income-household renters, based on adjusted gross income and filing status.

Your Committee received written comments in support of this measure from Americans for Democratic Action, Hawaii Chapter; Caring Across Generations; Catholic Charities Hawaii; The CHOW Project; Community Alliance on Prisons; Hawaii Alliance for Community-Based Economic Development; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Children's Action Network; IMUAlliance; Kokua Kalihi Valley; League of Women Voters of Hawaii; LGBT Caucus of the Democratic Party of Hawaii; Partners in Care; PHOCUSED; and four individuals.

Your Committee received comments on this measure from the Department of Taxation; Tax Foundation of Hawaii; and Honolulu Community Action Program, Inc.

Your Committee finds that the income threshold to qualify for the income tax credit for low-income household renters has not been amended since 1989, and the amount of the tax credit has not been amended since 1981. At the current income threshold and tax credit amount, many households that are at risk of falling into poverty do not qualify for the tax credit, and those that do qualify, do not receive a tax credit of any significant amount. Your Committee finds that expanding both the income threshold and the tax credit amount will provide low-income household renters with meaningful tax relief.

Your Committee recognizes that, according to the Department of Taxation's estimate, this measure is expected to have an annual negative fiscal impact of \$11,200,000 to the general fund.

Your Committee has amended this measure by:

- (1) Specifying the dollar amounts of the tax credit;
- (2) Adding a separate filing category for heads of household; and
- (3) Clarifying the filing status descriptions.

As affirmed by the record of votes of the members 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. 2166, 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. 2166, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Galuteria).

SCRep. 3495 Ways and Means on H.B. No. 2305

The purpose and intent of this measure is to provide financing and grants for infrastructure improvements.

Specifically, this measure authorizes the Hawaii Housing Finance and Development Corporation:

- (1) Upon request of a county, to establish and operate a regional state infrastructure subaccount within the dwelling unit revolving fund to finance projects that would increase infrastructure capacity for housing and mixed-use transit-oriented development projects;
- (2) To expend funds within the dwelling unit revolving fund to repay private investors; and
- (3) To accept improved lands as repayment of loans made from a regional state infrastructure subaccount.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Office of Planning; Hawaii Housing Finance and Development Corporation; Chamber of Commerce Hawaii; Land Use Research Foundation of Hawaii; Hawaii Association of Realtors; and Building Industry Association of Hawaii.

Your Committee finds that the lack of housing continues to be a critical issue for Hawaii's residents. Your Committee further finds that the lack of infrastructure capacity is one of the most significant barriers to the construction of additional homes. Your Committee believes that establishment of regional state infrastructure subaccounts within the dwelling unit revolving fund will provide financing to help increase infrastructure capacity for the construction of additional housing.

Your Committee has amended this measure by:

- (1) Clarifying that expenditures from the dwelling unit revolving fund to repay private investors are to be made from the regional state infrastructure subaccounts established within the dwelling unit revolving fund, instead of from the funds generally within the dwelling unit revolving fund; and
- (2) Making a technical nonsubstantive amendment for 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 H.B. No. 2305, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2305, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Galuteria).

SCRep. 3496 Ways and Means on H.B. No. 1878

The purpose and intent of this measure is to address programs related to the care of the elderly and disabled.

More specifically, this measure appropriates funds for:

- (1) The kupuna care program;
- (2) The aging and disability resource center;
- (3) The long-term care ombudsman program;
- (4) Fall prevention and early detection services for the elderly;
- (5) The healthy aging partnership program;
- (6) An Alzheimer's disease and related dementia services coordinator position; and
- (7) An Alzheimer's disease and related dementia public awareness campaign.

Your Committee received written comments in support of this measure from the State of Hawaii Executive Office on Aging, AARP Hawaii, the Alzheimer's Association Aloha Chapter, Catholic Charities Hawaii, Child and Family Service, Healthcare Association of Hawaii, Lanakila Pacific, the Policy Board for Elderly Affairs, Project Dana, the Queen's Health Systems, and ten individuals.

Your Committee finds that this measure appropriates moneys for critical programs and services that directly serve the elderly population in the State or ensure the quality of those services. These programs and services protect the elderly from injury and neglect, and assist them and their caregivers in a wide variety of important ways.

Your Committee has amended this measure by:

- (1) Clarifying that there are multiple aging and disability resource centers in the State operated by the area agencies on aging in each county, and that the Executive Office of Aging shall ensure that referrals and services are properly provided and staff are appropriately trained and responsive to needs; and
- (2) Requiring the Executive Office on Aging to develop a system of evaluation for the aging and disability resource centers in each county to ensure alignment with federal guidelines and submit a report to the 2017 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 H.B. No. 1878, 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. 1878, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3497 Ways and Means on H.B. No. 1772

The purpose and intent of this measure is to improve oral health in Hawaii.

Specifically, this measure appropriates funds to the Department of Human Services to restore basic adult dental benefits to Medicaid and QUEST integration enrollees.

Your Committee received written comments in support of this measure from the State Council on Developmental Disabilities, DentaQuest, Hawaii Primary Care Association, Hawaii Public Health Association, Hawaii Self-Advocacy Advisory Council, Healthcare Association of Hawaii, Ho'ola Lahui Hawaii, Malama I Ke Ola Health Center, Ohana Health Plan, The Queen's Health Systems, Waianae Coast Comprehensive Health Center, Waimanalo Health Center, and four individuals.

Your Committee received comments on this measure from the Department of Health and Department of Human Services.

Your Committee finds that oral health in the State presents a public health crisis. According to the Department of Health's 2015 report entitled "Hawaii Oral Health: Key Findings," during 2009-2011, less than half of all pregnant women (forty-one per cent) visited a dentist during their pregnancy, despite national health recommendations stating that dental visits are safe and important to prevent dental problems for mothers and their developing babies. Low-income pregnant women and those on Medicaid or QUEST health insurance were least likely to visit a dentist, at twenty-nine per cent and twenty-seven per cent, respectively. Further, during 2012, only fifty-two per cent of low-income adults saw a dentist, as opposed to eighty-two per cent of high-income adults. More than three thousand emergency room visits in 2012 were due to preventable dental problems, significantly more than the national average, resulting in aggregate hospital charges of \$8,500,000. Your Committee further finds that, in its report, the Department of Health recommended several strategies to address oral health in Hawaii. These recommendations include the expansion of affordable preventive dental care services to low-income populations, and the expansion of Medicaid dental services for adults, beyond the current emergency-only coverage, to include preventive and treatment services.

Your Committee notes that the Department of Human Services estimates that restoration of dental benefits will require \$12,464,103 of combined state and federal funds, of which \$4,799,926 would come from state general funds.

Your Committee has amended this measure by 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. 1772, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1772, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Inouye).

SCRep. 3498 Ways and Means on H.B. No. 1874

The purpose and intent of this measure is to appropriate funds to establish a rapid response emergency medical services unit for the County of Kauai.

Your Committee received written comments in support of this measure from Hawaii Pacific Health, American Medical Response Kauai, Kauai Paramedics Association, American Medical Response in Hawaii, Wilcox Memorial Hospital, Kauai Paramedics Association, Kauai Fire Department, and fourteen individuals.

Your Committee finds that the last time a new rapid response or ambulance unit was added to the County of Kauai was in 1992. Your Committee believes that an additional rapid response unit for Kauai will reduce emergency personnel response times and improve patient outcomes.

Your Committee requests that, as this measure moves through the legislative process, the Department of Health consult with the County of Kauai to provide the appropriation amount required by this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2075, 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. 1874, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1874, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Slom).

SCRep. 3499 (Joint) Ways and Means and Judiciary and Labor on H.B. No. 2559

The purpose and intent of this measure is to promote assisted community treatment as an alternative to involuntary hospitalization.

Specifically, this measure:

- (1) Defines “imminently dangerous to self or others”;
- (2) Repeals the authority of law enforcement officers to take a person subject to an assisted community treatment order into custody and transport them to a designated mental health program without a court order;
- (3) Requires a judge to issue an order for a law enforcement officer to take a person subject to an assisted community treatment order into custody and deliver them to a designated mental health program;
- (4) Changes the maximum period of court-ordered assisted community treatment from one hundred eighty days to one year;
- (5) Amends the circumstances under which a person subject to an assisted community treatment order may be physically forced to take medication; and
- (6) Repeals the repeal and reenactment dates in Act 27 and Act 231, Session Laws of Hawaii 2015.

Your Committees received written comments in support of this measure from one individual.

Your Committees received written comments in opposition to this measure from the Hawaii Disability Rights Center and one individual.

Your Committees received written comments on this measure from the American Civil Liberties Union of Hawaii.

Your Committees find that the State has a significant interest in protecting the civil liberties of and rehabilitating those who suffer from mental illness. Assisted community treatment provides persons with mental illness a less restrictive means of treatment than hospitalization. Your Committees also recognize that there are situations in which a person subject to assisted community treatment may require more restrictive treatment. Your Committees believe that this measure balances the civil liberties of those with mental illness and the needs of the State to rehabilitate and protect.

Your Committees have amended this measure by clarifying the definition of “imminently dangerous to self or others” to mean “that, without intervention, the person will likely become dangerous to self or dangerous to others within the next ninety days”.

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 H.B. No. 2559, 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. 2559, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.
Ways and Means: Ayes, 11. Noes, none. Excused, none.
Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahale, Kim, Thielen).

SCRep. 3500 Ways and Means on H.B. No. 1599

The purpose and intent of this measure is to require QUEST and Medicaid coverage for chiropractic services.

Your Committee received written comments in support of this measure from the Hawaii Association of Professional Nurses. Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that Med-QUEST currently covers chiropractic care for persons under twenty-one years of age if the visits are medically necessary under certain federal requirements. There are twenty-six states that cover chiropractic services for adults, with varying levels of allowable services and covered visits. Your Committee notes that the Department of Human Services has estimated that the cost of covering chiropractic care under QUEST and Medicaid plans will be \$7,200,000 in combined state and federal funds for six months of fiscal year 2016-2017, \$3,886,560 of which would be state funds.

Your Committee has amended this measure by:

- (1) Limiting the coverage of chiropractic services offered by this measure to services approved by the United States Centers for Medicare and Medicaid Services in the state plan amendment; and
- (2) Inserting an unspecified appropriation for chiropractic 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. 1599, 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. 1599, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Inouye).

SCRep. 3501 Ways and Means on H.B. No. 1943

The purpose and intent of this measure is to provide an inflationary adjustment to the long-term care reimbursement methodology used to reimburse facilities for the long-term care of Medicaid recipients for fiscal year 2016-2017.

Your Committee received written comments in support of this measure from Aloha Nursing Rehab Centre, Ann Pearl Rehabilitation and Healthcare, Chamber of Commerce Hawaii, East Hawaii Region of Hawaii Health Systems Corporation, Garden Isle Rehabilitation and Healthcare Center, Hale Kupuna Heritage Home, Hale Makua Health Services, Hale Makua Wailuku, Oahu Region of Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Maunalani Nursing and Rehabilitation Center, Ohana Pacific Management Company, Inc., One Kalakaua Senior Living, Puuwai O Makaha, The Clarence TC Ching Villas at St. Francis, The Queen's Health Systems, Wahiawa Nursing and Rehabilitation Center, and three individuals.

Your Committee received written comments on this measure from the Department of Human Services.

Your Committee finds that reimbursement payments for Medicaid enrollees do not cover the actual costs of care. This shortfall presents significant financial challenges to organizations and facilities that provide long-term care for Hawaii residents. Approximately seventy percent of patients in long-term care facilities are covered by the state Medicaid program, and Medicaid reimbursement rates have not been adjusted for inflation since 2009, except for a partial adjustment in 2011. In the meantime, operating costs have increased significantly and could have a significant impact on Hawaii's health care system absent an inflationary adjustment to reimbursements.

Your Committee has amended this measure by:

- (1) Establishing the provisions of section 2 of the measure within the Session Laws rather than within the Hawaii Revised Statutes because the inflationary adjustment applies only to fiscal year 2016-2017;
- (2) Changing the effective date 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 H.B. No. 1943, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1943, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3502 Ways and Means on H.B. No. 2389

The purpose and intent of this measure is to allow the use of the federal reimbursement maximization special fund for corrections workforce recruitment and retention.

Your Committee received written comments in support of this measure from the Department of Public Safety and United Public Workers.

Your Committee finds that this measure will align section 353C-7, Hawaii Revised Statutes, with federal provisions on the use of moneys in the federal reimbursement maximization special fund.

Your Committee has made a technical, nonsubstantive amendment to this measure by rewording the amendment to section 353C-7(b)(8), Hawaii Revised Statutes, to harmonize the new language with the phrasing of similar provisions of existing 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 H.B. No. 2389, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2389, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3503 Ways and Means on H.B. No. 801

The purpose and intent of this measure is to authorize the issuance of an unspecified amount of special purpose revenue bonds to assist SunStrong, LLC, to provide renewable electric energy and install renewable energy projects in Hawaii.

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 the severe effects of climate change and shoreline erosion have a negative effect on the quality of life of Hawaii's people. Your Committee also finds that there is increasing focus on reducing harmful air emissions from fossil fuels that are possible causes of greenhouse gases, which affect climate change. The cost of fossil fuels is another factor that makes it imperative for Hawaii to look into renewable resources as an energy source. Hawaii is well-situated to harness strong trade winds and abundant sunlight as sources of renewable energy. Your Committee believes that the issuance of special purpose revenue bonds to finance SunStrong, LLC, is in the public interest and for the public health, safety, and general welfare.

Your Committee has amended this measure by changing the amount of the bonds authorized to be issued from an unspecified amount to \$50,000,000.

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 H.B. No. 801, 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. 801, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3504 Ways and Means on H.B. No. 2007

The purpose and intent of this measure is to improve government operations and efficiency by establishing a Lean Government Advisory Board within the Department of Human Resources Development.

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, the Department of Human Resources Development, and the Hawaii Government Employees Association.

Your Committee finds that the goal of the Lean Government Advisory Board will be to develop the State's human resources by engaging and developing state employees to be the best at their work through lean management principles. Developing the carrying capacity and capability of public employees will ensure the public that the State is making the best use of its resources.

Your Committee has amended this measure by adding an unspecified appropriation to be expended by the Department of Human Resources Development to establish and administer the Lean Government Advisory Board.

Your Committee notes that, as this measure moves through the legislative process, the Department of Human Resources Development should identify cost-related items and recommend a proposed amount for the appropriation.

As affirmed by the record of votes of the members 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. 2007, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2007, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8; Ayes with Reservations (Taniguchi). Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3505 Ways and Means on H.B. No. 2018

The purpose and intent of this measure is to establish guidelines for the management of capital improvement projects.

Your Committee received written comments in support of this measure from the Department of Accounting and General Services and the Office of the Auditor.

Your Committee finds that there are great inconsistencies and a general lack of accountability in the management and construction of government capital improvement projects. Pursuant to Act 177, Session Laws of Hawaii 2015, the Auditor was directed to review the process, efficiencies, and accountability of various departmental engineering sections that manage general fund capital improvement projects. Your Committee further finds that the intent of this measure is to implement the Auditor's recommendations.

Your Committee has amended this measure by:

- (1) Clarifying that each department and agency that manages its own capital improvement projects shall provide orientation training for new engineering personnel hired during the interim between annual trainings conducted by the Comptroller; and
- (2) Requiring the Department of Accounting and General Services to submit a status report on the implementation of practices required by this measure prior to the 2017 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. 2018, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2018, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3506 Ways and Means on H.B. No. 2544

The purpose and intent of this measure is to require the State Procurement Office, in conjunction with the Department Of Accounting and General Services, to conduct a comprehensive analysis and review of the Hawaii Public Procurement Code, particularly with regard to the awarding of construction contracts.

Your Committee received written comments in support of this measure from the Building Industry Association of Hawaii. Your Committee received comments on this measure from the State Procurement Office.

Your Committee finds that a comprehensive analysis and review of the Hawaii Public Procurement Code may lead to necessary procurement reforms that ensure more prudent and effective uses of state financial resources.

Your Committee notes that the State Procurement Office estimates that it will cost \$450,000 to fulfill the mandate required by this measure.

Your Committee has amended this measure by:

- (1) Clarifying a reference to a task force established pursuant to Senate Concurrent Resolution No. 92, S.D. 2, Regular Session of 2013; and
- (2) Correcting a reference to Federal Acquisition Regulation Part 36—Construction and Architect-Engineer Contracts.

As affirmed by the record of votes of the members 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. 2544, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2544, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3507 (Majority) Ways and Means on H.B. No. 1847

The purpose and intent of this measure is to establish and appropriate \$750,000 in general funds for a sports and entertainment authority to coordinate and develop the entertainment and sports industry in the State.

Your Committee received written comments in support of this measure from the Chamber of Commerce Hawaii and the Hawaii Lodging and Tourism Association. Written comments were received from the Department of Business, Economic Development, and Tourism, the Stadium Authority, and one individual.

Your Committee finds that a sports and entertainment authority will be able to tap into Hawaii's unique location and potential as an entertainment and sporting destination of the Asia Pacific region and enhance the work of the Hawaii Tourism Authority by providing supporting research and attracting events during off-peak tourism months. Further, by marketing, promoting, and building Hawaii as a premiere sports and entertainment destination with the capacity to host a myriad of diverse events throughout the year, the State will be able to strengthen its financial position by diversifying its existing economic opportunities.

Your Committee has amended this measure by:

- (1) Removing references to specific staff positions within the sports and entertainment authority, other than the president and chief executive officer;
- (2) Removing language that authorized the authority to appoint and retain its own attorneys;
- (3) Changing the appropriation from \$750,000 to an unspecified amount to facilitate further discussion on the measure; and
- (4) Clarifying the purposes of the appropriation.

As affirmed by the record of votes of the members 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. 1847, 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. 1847, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 7; Ayes with Reservations (Dela Cruz, Riviere). Noes, 2 (Harimoto, Slom). Excused, 2 (English, Taniguchi).

SCRep. 3508 Ways and Means on H.B. No. 2646

The purpose and intent of this measure is to establish a fuel tank advisory committee to study issues related to leaks of certain fuel storage tanks throughout the State.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Department of Health, City and County of Honolulu Board of Water Supply, Conservation Council for Hawaii, and one individual.

Your Committee finds that the leakage of fuel from underground storage tanks is a matter of statewide concern. Fuel that leaks from storage tanks can contaminate groundwater that is used for human consumption and cause significant damage to the environment. Issues surrounding leaking fuel storage tanks are numerous and cannot be adequately addressed by a temporary committee. Your Committee believes that establishing an advisory committee in statute ensures that issues relating to fuel tank leaks are addressed now and in the future, and further demonstrates the State's commitment to preserving the safety of Hawaii's drinking water supply.

Your Committee has amended this measure by:

- (1) Clarifying that certain persons shall be invited, rather than required, to participate on the advisory committee as ex officio members;

- (2) Inserting an unspecified appropriation to be expended by the Department of Health for the fuel tank advisory committee; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As this measure advances through the legislative process, your Committee requests the Department of Health to recommend an appropriation amount necessary to implement 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. 2646, 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. 2646, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Slom).

SCRep. 3509 Ways and Means on H.B. No. 2093

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds in an unspecified amount for the purpose of assisting Goodwill Industries of Hawaii, Inc.

Your Committee written comments in support of this measure from Goodwill Industries of Hawaii, Inc., and two individuals.

Your Committee received comments on this measure from the Department of the Attorney General and the Department of Budget and Finance.

Your Committee notes that this measure is a means to assist Goodwill Industries of Hawaii, Inc., a Hawaii not-for-profit corporation, and one or more of its not-for-profit affiliates in several projects that are intended to constitute an industrial enterprise. Your Committee finds that this measure is in the public interest and for the public health, safety, and general welfare.

Your Committee requests the Department of the Attorney General and the Department of Budget and Finance to consult with each other to determine if the projects qualify for special purpose revenue bond financing as an industrial enterprise.

Your Committee has amended this measure by authorizing the issuance of \$20,000,000 in special purpose revenue bonds for the purpose of assisting Goodwill Industries of Hawaii, 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 H.B. No. 2093, 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. 2093, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3510 (Majority) Ways and Means on H.B. No. 2219

The purpose and intent of this measure is to establish a commercialization loan program to support Hawaii-based small businesses operating in technology-related fields.

Specifically, this measure:

- (1) Establishes the HI-impact loan program to provide capital to support small businesses operating in technology-related fields;
- (2) Authorizes the Board of Directors of the High Technology Development Corporation to hire an administrator for the HI-impact loan program;
- (3) Requires the High Technology Development Corporation to model the HI-impact loan program after the Maryland Technology Development Corporation technology commercialization fund;
- (4) Establishes requirements for Hawaii-based businesses to receive a loan under the HI-impact loan program;
- (5) Establishes the HI-impact special fund to fund loans issued by the HI-impact loan program; and
- (6) Appropriates funds to be deposited into the HI-impact special fund.

Your Committee received written comments in support of this measure from the High Technology Development Corporation and Chamber of Commerce Hawaii.

Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that many technology businesses experience difficulty in acquiring the capital necessary to advance products to market and achieve profitability. A loan program for these small businesses will help to fill this critical void, which in turn will help to grow Hawaii's technology industry, create high paying technology jobs, and keep local expertise in the State.

Your Committee has amended this measure by:

- (1) Authorizing, rather than requiring, the High Technology Development Corporation to model the HI-impact loan program after the Maryland Technology Development Corporation technology commercialization fund;
- (2) Clarifying that a Hawaii-based business submit the technical budgeted plan of work to the HI-impact administrator, to receive funding under the HI-impact loan program; 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 H.B. No. 2219, 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. 2219, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Slom). Excused, 2 (English, Galuteria).

SCRep. 3511 Ways and Means on H.B. No. 2289

The purpose and intent of this measure is to address issues relating to the Hawaii Community-Based Economic Development Technical and Financial Assistance Program.

Specifically, this measure:

- (1) Reduces the size of the Community-Based Economic Development Advisory Council from twelve to nine members;
- (2) Amends the eligibility criteria for community-based economic development grants;
- (3) Includes technical assistance among the eligible uses of community-based economic development grants; and
- (4) Appropriates moneys for technical and financial assistance for community-based economic development.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Pacific Growth Associates, the Waianae Economic Development Council, and one individual.

Your Committee finds that for nearly twenty-five years, the Community-Based Economic Development Program has assisted over one thousand community-based organizations through loans, grants, and technical assistance. However, as it currently exists, the Community-Based Economic Development Program is not entirely self-sustaining. Your Committee believes that the moneys appropriated and various amendments made to chapter 210D, Hawaii Revised Statutes, by this measure will enable the Community-Based Economic Development Program to become more self-sufficient and assist more community-based organizations throughout the State.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee notes that the Department of Business, Economic Development, and Tourism has requested an appropriation of \$1,000,000 for the purposes of 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. 2289, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2289, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Galuteria).

SCRep. 3512 Ways and Means on H.B. No. 2669

The purpose and intent of this measure is to authorize the issuance of an unspecified amount of special purpose revenue bonds to assist TruTag Technologies, Inc., in a manufacturing enterprise.

Your Committee received written comments in support of this measure from TruTag Technologies, Inc.; Chamber of Commerce Hawaii; and three individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the proceeds from the sale of special purpose revenue bonds will be used to finance or refinance the planning, construction, improvement, and equipping of the manufacturing facilities of TruTag Technologies, Inc., in Hawaii. Your Committee further finds that the issuance of these special purpose revenue bonds for a manufacturing enterprise is in the public interest and will benefit the public health, safety, and general welfare.

Your Committee has amended this measure by changing:

- (1) The amount of the bonds authorized to be issued from an unspecified amount to \$15,000,000, which is the amount authorized in the original version of the measure; and
- (2) 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 H.B. No. 2669, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2669, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Slom).

SCRep. 3513 Ways and Means on H.B. No. 1749

The purpose and intent of this measure is to amend the goals of the Hawaii water plan to include increased utilization of reclaimed water in all state facilities, where feasible.

Your Committee received written comments in support of this measure from the City and County of Honolulu Department of Environmental Services and the Hawaii Fresh Water Council.

Written comments were received from the Department of Land and Natural Resources.

Your Committee finds that improving the State's overall water reuse rate is an important conservation measure and a step towards a more secure fresh water future for Hawaii.

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. 1749, 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. 1749, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3514 Ways and Means on H.B. No. 2042

The purpose and intent of this measure is to promote water conservation in the State.

Specifically, this measure:

- (1) Establishes a rebate program to offset the cost of newly-constructed water conservation systems, to be administered by the Commission on Water Resource Management; and
- (2) Appropriates funds for the rebate program.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources; Hawaii Community Foundation; Hawaii Fresh Water Initiative; Hawaii Green Growth; Surfrider Foundation, Hawaii Chapters; and two individuals.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that, as an island state, Hawaii has limited access to natural fresh water supplies. Competition for fresh water, increasing population and development pressures, the rising awareness of environmental and cultural water needs, and the impacts of climate change require that Hawaii become as efficient as possible in its uses of limited fresh water supplies. Your Committee believes that this measure will provide an incentive for the construction or installation of water conservation systems to reduce water use or waste.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation from \$2,000,000 to an unspecified amount;
- (2) Changing the annual aggregate cap amount of the rebate program to an unspecified amount;
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (4) Providing for the repeal of the measure on an unspecified date.

As affirmed by the record of votes of the members 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. 2042, 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. 2042, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3515 Ways and Means on H.B. No. 2657

The purpose and intent of this measure is to provide cost reimbursement to small business ventures that are in diversified agriculture and to farmers and ranchers on Molokai to help them meet the costs, including audit costs, of compliance with the requirements of the FDA Food Safety Modernization Act and state food safety laws.

Specifically, this measure:

- (1) Amends Act 387, Session Laws of Hawaii 1988, by replacing the revolving loan program for small business ventures in diversified agriculture on Molokai with a cost reimbursement program that includes Molokai ranchers and farmers among the entities that are eligible for cost reimbursements; and
- (2) Appropriates an unspecified amount of general funds to the Maui Office of Economic Development to review and approve cost reimbursement applications.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, a member of the Maui County Council, and two individuals.

Your Committee finds that the costs that farmers and ranchers must incur to comply with federal and state requirements, including the food safety requirements of the FDA Food Safety Modernization Act, are prohibitive to certain farmers and ranchers. Your Committee also finds that these high costs threaten the viability of farmers and ranchers on Molokai, and that the assistance provided by this measure will help the farmers and ranchers avoid closures that would have a detrimental effect on the diversified agricultural industry on Molokai.

Should this measure be heard by the Committee on Conference, your Committee respectfully requests the Department of Agriculture provide an appropriation amount that is sufficient to enable the Maui Office of Economic Development to review and approve cost reimbursement applications.

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. 2657, 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. 2657, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3516 Ways and Means on H.B. No. 2040

The purpose and intent of this measure is to increase the State's water security.

Specifically, this measure:

- (1) Establishes a two-year pilot program on developing public-private partnerships that increase water security;
- (2) Establishes a water security advisory group to advise the Department of Land and Natural Resources on water security proposals; and
- (3) Authorizes the Department of Land and Natural Resources, upon the advice of the advisory group, to provide matching state funds for projects and programs that:
 - (A) Increase the recharge of groundwater resources;
 - (B) Encourage the reuse of water and reduce the use of potable water for landscaping irrigation; and
 - (C) Improve the efficiency of potable and agricultural water use.

Your Committee received written comments in support of this measure from the Board of Water Supply of the City and County of Honolulu; the Hawaii Community Foundation; the Hawaii Farm Bureau; the Hawaii Fresh Water Council; Hawaii Green Growth; Surfrider Foundation, Hawaii Chapters; and one individual.

Your Committee received written comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that the two-year pilot program for a Water Security Advisory Group in the Department of Land and Natural Resources established by this measure will enable public-private partnerships by providing matching funds for projects that increase water security. This pilot program will provide incentives to increase the recharge of groundwater resources, encourage the reuse of water and reduce the use of potable water for landscaping irrigation, and improve the efficiency of potable and agricultural water use.

The Department of Land and Natural Resources is requested to provide the necessary appropriation amount for this measure as it continues to move 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 and correcting a grammatical 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. 2040, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2040, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3517 (Majority) Ways and Means on H.B. No. 2037

The purpose and intent of this measure is to appropriate funds to the Department of Land and Natural Resources to host the International Union for Conservation of Nature World Conservation Congress meeting at the Hawaii Convention Center on September 1 to 10, 2016.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Conservation Council for Hawaii, The Nature Conservancy, Ulupono Initiative, and one individual.

As this is the first time that the World Conservation Congress will convene in the United States, your Committee recognizes that this meeting offers an exceptional opportunity for the United States to showcase and share with the world Hawaii's unique environmental and natural resources. Your Committee finds that the meeting will enhance natural resource conservation in Hawaii and the continental United States, the Asia-Pacific Region, and internationally.

Your Committee further finds that the meeting will highlight and promote Hawaii's sustainability goals outlined in the Aloha+ Challenge, as well sustainable ecotourism and conservation leadership. Your Committee believes that, in addition to supporting Hawaii's environment and quality of life, hosting the meeting will generate economic benefits, such as visitor spending, tax revenues, potential federal and international grant funding, and research opportunities, and will help establish Hawaii as a destination for regional and global meetings.

Your Committee notes that the administration has requested \$4,000,000 in state funds be included in the budget bill to host the meeting. Your Committee requests that local organizers of the World Conservation Congress meeting submit periodic updates to the Legislature on the progress of their fundraising efforts to support holding the meeting in Hawaii.

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. 2037, 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. 2037, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (English, Taniguchi).

SCRep. 3518 Ways and Means on H.B. No. 2036

The purpose and intent of this measure is to establish an automatic extension of the deadline for a decision by the Department of Land and Natural Resources on a conservation district land use permit application of ninety days beyond the time necessary to complete any required environmental impact statement or contested case hearing regarding the land use.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Chamber of Commerce Hawaii, and Kona-Kohala Chamber of Commerce.

Your Committee finds that this measure ensures that if a contested case hearing or an environmental impact statement is required with respect to a land use permit application in a conservation district, the Department of Land and Natural Resources will have adequate time to make a decision and avoid an automatic default approval of the application.

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. 2036, 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. 2036, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3519 Ways and Means on H.B. No. 1041

The purpose and intent of this measure is to enhance the management and protection of resources pertaining to hunting.

Specifically, this measure:

- (1) Establishes the Game Management Advisory Commission to serve in an advisory capacity to the Board of Land and Natural Resources for policies and criteria regarding public hunting;
- (2) Establishes the composition and powers of the Game Management Advisory Commission;
- (3) Requires the Game Management Advisory Commission to submit an annual report to the Legislature; and
- (4) Appropriates funds for the establishment of the Game Management Advisory Commission.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Hawaii County Game Management Advisory Commission, Hawaii Rifle Association, Hawaii Farm Bureau, Pig Hunters Association of Oahu, Hawaii Sportsmen's Alliance, Hawaii Hunting Association, Hawaii Crop Improvement Association, and thirteen individuals.

Your Committee finds that hunters have expressed criticism of the Department of Land and Natural Resources in managing hunting resources. Your Committee finds that the establishment of a Game Management Advisory Commission, consisting of licensed hunters, will allow hunters to work more effectively with state agencies in coordinating efforts to conserve and manage game resources.

Your Committee notes that the Department of Land and Natural Resources has requested \$100,000 to establish the Game Management Advisory Commission.

Your Committee has amended this measure by changing:

- (1) The appropriation amount from \$100,000 to an unspecified sum; and
- (2) 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. 1041, 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. 1041, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3520 Ways and Means on H.B. No. 2235

The purpose and intent of this measure is to facilitate the efficient administration of Honokohau Small Boat Harbor.

Specifically, this measure:

- (1) Authorizes the Board of Land and Natural Resources to transfer its duties to operate the Honokohau Small Boat Harbor to a public-private partnership or a private organization;

- (2) Requires an entity that assumes the duties to operate, administer, manage, and maintain the harbor to comply with applicable laws;
- (3) Authorizes the Board of Land and Natural Resources to adopt administrative rules necessary for the transfer of the harbor; and
- (4) Appropriates funds for the repair and maintenance expenses of the harbor.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, and Kona-Kohala Chamber of Commerce.

Your Committee received written comments in opposition to this measure from Hawaii Government Employees Association.

Your Committee received comments on this measure from the Office of Hawaiian Affairs.

Your Committee finds the Honokohau Small Boat Harbor is in need of maintenance and repair. Your Committee further finds that transferring the management and related responsibilities of the harbor to a localized entity will improve communications between harbor users and management and enable timely repairs to the harbor's infrastructure and facilities.

Your Committee requests that, as this measure moves through the legislative process, the Department of Land and Natural Resources provide the appropriation amount necessary to fund the repair and maintenance expenses of Honokohau Small Boat Harbor.

Your Committee has amended this measure by:

- (1) Providing the Board of Land and Natural Resources with the option to transfer the Honokohau Small Boat Harbor to the County 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. 2235, 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. 2235, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3521 Ways and Means on H.B. No. 2424

The purpose and intent of this measure is to address issues relating to the Department of Agriculture and biosecurity.

More specifically, this measure:

- (1) Authorizes the Department of Agriculture to establish or participate in private-public partnerships to enhance its biosecurity program and quarantine inspection process;
- (2) Requires the Department of Agriculture to establish parameters and construction requirements for biosecurity facilities; and
- (3) Appropriates moneys to the Department of Agriculture to complete the implementation of the biosecurity program.

Your Committee received written comments in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Conservation Council for Hawaii, Coordinating Group on Alien Species, and Hawaii Farm Bureau.

Your Committee finds that invasive species pose a significant threat to the State's economy and natural environment. The Department of Agriculture's biosecurity program helps to prevent the damage done by invasive species; however, the program needs additional resources to maximize its effectiveness. Your Committee believes that authorizing the Department of Agriculture to enter into or participate in public-private partnerships could lessen the cost burden faced by the State when combating invasive species and also benefit local businesses.

Your Committee believes that funding the biosecurity program reaffirms the State's commitment to preventing the spread of invasive species. However, your Committee notes that a specific amount has not been provided to fund the projects identified in this measure. Should a Conference Committee convene to hear this measure, your Committee respectfully requests the Department of Agriculture to provide guidance as to what would be a sufficient appropriation amount.

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. 2424, 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. 2424, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3522 Ways and Means on H.B. No. 1999

The purpose and intent of this measure is to reduce the costs of production for the State's livestock and aquaculture industries.

Specifically, this measure:

- (1) Establishes a grant program for qualified feed developers;
- (2) Appropriates funds to the Department of Agriculture's Livestock Revitalization Program, to be allocated to reimburse qualified producers and qualified feed developers for certain feed-related costs; and

- (3) Appropriates funds to the Department of Agriculture to conduct a survey to identify, assess, and validate locally sourced feed ingredients that are available to qualified feed developers.

Your Committee received written comments in support of this measure from the Department of Agriculture, Hawaii Farm Bureau, Land Use Research Foundation of Hawaii, and Ulupono Initiative.

Your Committee recognizes that the Hawaii livestock industry consistently identifies the cost of feed as the most expensive component of the industry's operational costs. Furthermore, the State lacks local feed mills, thereby necessitating the importation of livestock feed. Your Committee finds that the Department of Agriculture is committed to reducing production costs for the livestock and aquaculture industries by reducing the cost of feed, and has initiated a feed development process regarding local feed ingredients. Your Committee also finds that this measure supports the Department of Agriculture's efforts to develop locally produced feed. Your Committee believes that this measure will strengthen Hawaii's agricultural self-sufficiency.

Your Committee requests the Department of Agriculture to provide the appropriation amounts necessary for the purposes of this measure, including the amounts of subsidies.

Your Committee has amended this measure by:

- (1) Correcting a cross-reference in section 7 of the measure to clarify that the funds appropriated to the Department of Agriculture's Livestock Revitalization Program that are not expended or encumbered by June 30, 2017, shall lapse as of that date; 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. 1999, 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. 1999, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3523 Ways and Means on H.B. No. 2060

The purpose and intent of this measure is to protect the public's interest in the procurement process.

Specifically, this measure:

- (1) Establishes a fair and reasonable pricing policy for every contract action;
- (2) Clarifies that contractors are required to submit cost or pricing data and a certification of the accuracy of the data for certain change orders and contract modifications, even if the original contract award did not require cost and pricing data; and
- (3) Clarifies that the State Procurement Administrator has the authority to perform periodic compliance reviews of the procurement practices and procedures of all governmental bodies, in collaboration with the State Procurement Board.

Your Committee received written comments in support of this measure from the State Procurement Office.

Your Committee finds that a 2015 Auditor's report highlighted an example of a procurement contract award that was renegotiated and amended three times. The Auditor found that the final contract amount was six hundred eleven per cent higher than the original bid, even though there was a reduction in the scope of work provided and a one-year extension of the performance deadline. Your Committee believes that procurement reform is needed to prevent procurement mismanagement and abuse such as that described in the Auditor's report. Accordingly, your Committee believes that this measure will provide for greater transparency and oversight of procurement practices and help to preserve the integrity of the procurement process.

Your Committee notes that it intends to insert an appropriation of \$54,000 in general funds into the Senate's draft of the Supplemental Appropriations Act of 2016 for the State Procurement Office for cost and pricing analysis.

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 H.B. No. 2060, 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. 2060, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3524 Ways and Means on H.B. No. 2179

The purpose and intent of this measure is to appropriate funds for the administration, operation, and community outreach expenses of the Aha Moku Advisory Committee.

Your Committee received written comments in support of this measure from the Department of Land and Natural Resources, Aha Moku Advisory Committee, five members of the Aha Moku Advisory Committee, Association of Hawaiian Civic Clubs, Koolauapoko Hawaiian Civic Club, Queen Emma Hawaiian Civic Club, and eleven individuals.

Your Committee finds that, pursuant to section 171-4.5, Hawaii Revised Statutes, the Aha Moku Advisory Committee advises the Chairperson of the Board of Land and Natural Resources on various subjects related to the Aha Moku system. Your Committee further finds that it is the intent of this measure to provide the Aha Moku Advisory Committee with the funding necessary to perform its duties.

Your Committee notes that the measure, as received, provides an appropriation of \$250,000 in general funds for the administration, operation, and community outreach expenses of the Aha Moku Advisory Committee. Your Committee further notes that the Executive Supplemental Budget for fiscal year 2016-2017 provides \$126,514 (\$39,000 in general funds and \$87,514 in trust funds) to fund an executive director, travel, and community outreach.

Your Committee has amended this measure by:

- (1) Changing the amount of the appropriation from \$250,000 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2016, 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. 2179, 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. 2179, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Slom).

SCRep. 3525 (Majority) Ways and Means on H.B. No. 1850

The purpose and intent of this measure is to address the collection of general excise and transient accommodations taxes.

Specifically, this measure:

- (1) Allows transient accommodations brokers to register as tax collection agents to collect and remit general excise and transient accommodations taxes on behalf of operators and plan managers using their services; and
- (2) Requires transient accommodations brokers to take certain actions to ensure compliance with applicable land use laws.

Your Committee received written comments in support of this measure from Airbnb and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii Appleseed Center for Law and Economic Justice, Kailua Neighborhood Board, Keep it Kailua, Rental by Owner Awareness Association, Save Oahu's Neighborhoods, UNITE HERE Local 5, and sixty-five individuals.

Your Committee received comments on this measure from the Department of Taxation, Department of Planning and Permitting of the City and County of Honolulu, Hawaii Lodging and Tourism Association, Tax Foundation of Hawaii, and one individual.

Your Committee finds that, under certain circumstances, a private person is allowed to act as a tax collection agent. For example, section 237-9, Hawaii Revised Statutes, allows a person engaged in network marketing, multi-level marketing, or other similar business to enter into an agreement with the Department of Taxation to act as a tax collection agent on behalf of its direct sellers. Your Committee believes that similarly allowing transient accommodations brokers to act as tax collection agents on behalf of providers of transient accommodations that utilize their services may facilitate the collection of transient accommodations taxes and general excise taxes.

Your Committee has amended this measure by:

- (1) Changing the date by which the Department of Taxation is required to make application forms available for registration as a transient accommodations broker tax collection agent from ninety days after the effective date of the measure to January 1, 2017;
- (2) Clarifying that only transient accommodations brokers who are registered as tax collection agents are required to take the actions specified in the measure to ensure compliance with applicable land use laws; and
- (3) Making a technical nonsubstantive amendment 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 H.B. No. 1850, 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. 1850, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, 2 (Chun Oakland, Riviere). Excused, 2 (English, Wakai).

SCRep. 3526 Ways and Means on H.B. No. 1654

The purpose and intent of this measure is to clarify and modernize the process of casting an absentee ballot for an election.

Specifically, this measure:

- (1) Authorizes a permanent absentee voter to request that an absentee ballot be forwarded, temporarily, to an address other than the voter's registered address;
- (2) Removes restrictions on the class of voters that may request a replacement absentee ballot within five days of an election; and
- (3) Authorizes an absentee voter to request that a replacement absentee ballot be forwarded by electronic transmission and authorizes the absentee voter to submit that ballot electronically.

Your Committee received written comments in support of this measure from the Office of Elections, the League of Women Voters, and two individuals.

Your Committee finds that over the past five years, absentee voting has grown in popularity. Your Committee further finds that expanding the class of voters eligible to request and cast replacement absentee ballots within five days of an election, and allowing the casting of those replacement absentee ballots through additional methods, will help to modernize the voting process and increase voting participation in the State.

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. 1654, 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. 1654, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Harimoto).

SCRep. 3527 Ways and Means on H.B. No. 1752

The purpose and intent of this measure is to appropriate funds for a grant administrative support personnel position in the Office of Community Services of the Department of Labor and Industrial Relations.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Chamber of Commerce Hawaii, and two individuals.

Your Committee finds that this measure will provide the Office of Community Services with additional support in administering its variety of federal and state grants.

Your Committee notes that as the appropriation amount is unspecified, the Department of Labor and Industrial Relations is requested to provide the committees that have heard this measure with cost estimates as this measure heads to conference committee.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 1752, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1752, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Galuteria).

SCRep. 3528 Ways and Means on H.B. No. 2267

The purpose and intent of this measure is to facilitate the use of digital curricular materials in public school classrooms.

More specifically, this measure:

- (1) Authorizes expenditure of moneys allocated for purchase of printed curricular materials in digital formats of those materials;
- (2) Defines "curricular materials" to include both existing instructional materials in physical format and digital content;
- (3) Expands the authorized uses of the existing textbook and instructional materials fee special account by renaming it the curricular materials fee special account; and
- (4) Appropriates funds for digital devices for teachers and students to use in public school classrooms.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Teachers Association, Computing Technology Industry Association, Technet, and three individuals.

Your Committee finds that digital curricular materials present opportunities for learning that cannot be matched by textbooks and that financial savings can be realized by schools using digital curricular materials.

Your Committee has amended this measure by:

- (1) Clarifying that the appropriation for the digital devices is intended only for the digital devices; and
- (2) Adding a separate appropriation for the professional development of educators.

As affirmed by the record of votes of the members 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. 2267, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2267, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Wakai).

SCRep. 3529 Ways and Means on H.B. No. 1814

The purpose and intent of this measure is to appropriate moneys to the Department of Education to provide training and data accountability on public school pupil punishment and use of restraints restrictions established by Act 206, Session Laws of Hawaii 2014.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Teachers Association, and Special Education Advisory Council.

Your Committee finds that Act 206, Session Laws of Hawaii 2014, requires certain school personnel to be properly trained in the use of physical restraints and nonviolent intervention and how to develop and maintain a database in order to document all incidents including the use of restraints. Currently, the Department of Education does not have the materials, database infrastructure, or personnel necessary to implement Act 206. Providing the appropriate funds to the Department to purchase materials, upgrade infrastructure, and hire the necessary personnel to implement Act 206 will help adequately train the State's public school employees and provide sufficient protection to students.

Your Committee has amended this measure by:

- (1) Changing the unspecified appropriation amount to \$460,000; and
- (2) Making a technical nonsubstantive amendment for the purpose of style 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 H.B. No. 1814, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1814, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Wakai).

SCRep. 3530 Ways and Means on H.B. No. 2453

The purpose and intent of this measure is to appropriate funds for start-up grants for new pre-opening public charter schools.

Your Committee received written comments in support of this measure from the State Public Charter School Commission, Hawaii Public Charter Schools Network, Kamehameha Schools, and one individual.

Your Committee received written comments in opposition to this measure from the Hawaii State Teachers Association and IMUAlliance.

Your Committee finds that public charter schools can often be established and begin operations in less time than a new public school that is under the direct control of the Department of Education, and that the creation of new public charter schools can help alleviate crowded conditions at certain public schools. Although the State previously provided start-up grants to assist public charter schools with their pre-opening costs, state assistance is not currently available to help the schools meet their pre-opening challenges. Providing start-up grants to new public charter schools would help address high start-up costs, facilitate the opening of new schools, help address crowding in other public schools, and thus benefit all of Hawaii's public school students.

Your Committee notes that the amount appropriated by this measure should not be construed as intended to assist only one public charter school.

Your Committee has amended this measure by inserting \$200,000 as the appropriation amount.

As affirmed by the record of votes of the members 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. 2453, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2453, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Wakai).

SCRep. 3531 Ways and Means on H.B. No. 2205

The purpose and intent of this measure is to refine the governance of public charter schools.

Specifically, this measure:

- (1) Prohibits public charter school authorizers from providing technical support to prospective charter school applicants or their governing boards when that technical support will impact a decision to approve or deny a charter application;
- (2) Establishes meeting minutes requirements for charter schools and their governing boards;
- (3) Provides nonprofit organizations acting in the role of a conversion charter school governing board with the same protections afforded to other governing boards;
- (4) Authorizes charter schools to assess and collect special fees and charges for co-curricular activities; and
- (5) Allows a conversion charter school to establish its own enrollment procedures and apply certain enrollment preferences.

Your Committee received written comments in support of this measure from the State Public Charter School Commission and the Governing Board of Kanu o ka Aina.

Your Committee received written comments in opposition to this measure from Kamehameha Schools.

Your Committee received comments on this measure from the Hawaii Public Charter Schools Network.

Your Committee finds that this measure will improve consideration of charter school applications by prohibiting public charter school authorizers from providing technical support to charter school applicants and their governing boards, which will help to ensure neutrality in the decision to approve or deny the application. Your Committee further finds that establishing more defined requirements for the posting of public charter school meeting minutes will also help to ensure transparency and accountability in the decisions made by public charter school governing boards.

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 H.B. No. 2205, 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. 2205, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Wakai).

SCRep. 3532 (Majority) Ways and Means on H.B. No. 2266

The purpose and intent of this measure is to ensure that the Executive Office on Early Learning has the necessary staffing and support to ensure a solid foundation for Hawaii's young children by appropriating unspecified funds for:

- (1) Travel for the Early Learning Advisory Board to attend meetings;
- (2) A secretary IV position for the Executive Office on Early Learning; and
- (3) A research statistician IV position for the Executive Office on Early Learning.

Your Committee received written comments in support of this measure from the State Public Charter School Commission, the Chamber of Commerce Hawaii, the Hawaii Children's Action Network, the Hawaii State Teachers Association, the Hui for Excellence in Education, and Kamehameha Schools.

Your Committee finds that providing adequate support for infrastructure and staffing to the Executive Office on Early Learning will allow the office to accomplish its mission to ensure a solid foundation for Hawaii's young children, prenatal to age five, by working with partners, families, and communities and connecting policies, programs, and funding in relation to health, safety, early childhood education, and school readiness and success.

Your Committee has amended this measure by specifying appropriation amounts of:

- (1) \$28,800 for travel expenses for the Early Learning Advisory Board to attend meetings;
- (2) \$39,492 for the establishment of a secretary IV position for the Executive Office on Early Learning; and
- (3) \$57,168 for the establishment of a research statistician IV position for the Executive Office on Early Learning.

As affirmed by the record of votes of the members 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. 2266, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2266, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, 1 (Slom). Excused, 2 (English, Wakai).

SCRep. 3533 (Majority) Ways and Means on H.B. No. 1072

The purpose and intent of this measure is to address the shortage of prescribing mental health care providers in the State.

More specifically, this measure requires the Hawaii board of psychology to:

- (1) Prescribe application forms and fees for application for and renewal of prescriptive authority privilege;
- (2) Develop and implement procedures to review the educational and training credentials of a psychologist applying for or renewing prescriptive authority privilege;
- (3) Determine the exclusionary formulary for prescribing psychologists; and
- (4) Accept applications for prescriptive authority privilege from qualified applicants beginning on July 1, 2018.

Your Committee received written comments in support of this measure from the Department of Health; Hawaii Medical Service Association; Hawaii Association of Professional Nurses; Protecting HI's Ohana, Children, Under Served, Elderly, and Disabled; Hawaii State Center for Nursing; and sixty-three individuals.

Your Committee received written comments in opposition to this measure from the Hawaii Medical Association, American Psychiatric Association, Hawaii Psychiatric Medical Association, Psychologists Opposed to Prescription Privileges for Psychologists, and eighteen individuals.

Your Committee received written comments on this measure from the Hawaii Board of Psychology and one individual.

Your Committee finds that authorizing psychologists who have advanced training in psychopharmacology to prescribe psychotropic medication, in collaboration with medical doctors, will improve access to effective mental health care, particularly in rural and other medically underserved communities.

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. 1072, 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. 1072, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10; Ayes with Reservations (Inouye, Wakai). Noes, 1 (Slom). Excused, none.

SCRep. 3534 (Joint) Ways and Means and Judiciary and Labor on H.B. No. 1756

The purpose and intent of this measure is to require criminal history record checks for the nursing profession.

Specifically, this measure:

- (1) Authorizes the Board of Nursing to conduct investigations of the background, character, competency, and integrity, as the board deems appropriate, of an applicant for a nursing license or for renewal, reinstatement, reactivation, or restoration of the license;
- (2) Requires applicants for a nursing license renewal or reactivation to submit full sets of electronic fingerprints to the Hawaii Criminal Justice Data Center for processing with the Federal Bureau of Investigation; and
- (3) Authorizes the Department of Commerce and Consumer Affairs to conduct criminal history record checks on applicants for nurse licensure or license renewal, reactivation, or restoration.

Your Committees received written comments in support of this measure from the Board of Nursing and two individuals.

Your Committees find that while Hawaii has one of the highest regulatory standards for the nursing profession, it is also among the minority of states that have not yet adopted criminal background check verification for licensees. Your Committees also find that criminal background checks are essential to ensuring the availability of safe and quality nursing services to the public.

Your Committees have amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

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 H.B. No. 1756, H.D. 3, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1756, H.D. 3, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Ways and Means: Ayes, 11. Noes, none. Excused, none.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

SCRep. 3535 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 52

The purpose and intent of this measure is to require compliance, with certain exceptions, with the Military Selective Service Act to qualify for state financial assistance for state-supported post-secondary education.

Your Committees received testimony in support of this measure from the United States Selective Service System, Hawaii Headquarters. Your Committees received comments on this measure from the University of Hawai'i System.

Your Committees find that the United States Military Selective Service Act requires all male citizens and males residing in the United States, except for lawfully admitted non-immigrants, to register with the Selective Service System upon reaching the age of eighteen. Federal law provides that any person who is not in compliance with the Military Selective Service Act is ineligible for federal student financial assistance and employment within the executive branch of the federal government. Your Committees further find that twenty-seven percent of males eighteen years of age or older in Hawaii have not registered with the Selective Service System. If these individuals do not register before the age of twenty-six, they will permanently lose eligibility for federal benefits linked to the Selective Service registration requirement. By conditioning state student financial assistance benefits on compliance with the Selective Service registration requirement, this measure will encourage individuals not currently in compliance to register.

Your Committees have amended this measure by:

- (1) Deleting language that would have required the University of Hawaii to ensure that applicants and enrollees under its jurisdiction comply with the Military Selective Service Act;
- (2) Clarifying that a person is exempt from compliance with the Military Selective Service Act if the person is under eighteen years of age, rather than eighteen years of age or under;
- (3) Changing the effective date to July 1, 2018, to provide the University of Hawaii additional time for adequate planning and implementation; 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 H.B. No. 52, 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. 52, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 3536 (Joint) Judiciary and Labor and Ways and Means 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;
- (2) Amend criminal trespass in the second degree to permit the prosecution of a non-tenant for unauthorized entry or violation of a written prohibition to enter into the subject housing projects; and

- (3) Clarify requirements for signage notifying trespassers of illegal entry.

Your Committees received testimony in support of this measure from the Hawaii Public Housing Authority.

Your Committees find that residents of public housing have the right to peacefully enjoy their homes without fear of unauthorized intruders at all hours of the day. Implementation of this measure will better assure the safety and well-being of residents of public housing.

Your Committees have amended this measure by:

- (1) Correctly reflecting the language in the Hawaii Revised Statutes;
- (2) Clarifying that under the definition of “reasonable warning or request”, a reasonable warning or request may contain the name, in addition to the signature, of a witness or law enforcement officer who was present when the warning was given; 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. 767, 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. 767, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3537 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 1787

The purpose and intent of this measure is to establish and appropriate funds for the Erin’s Law Task Force to review policies, programs, and curricula for educating public school students about sexual abuse prevention, and to make recommendations for the establishment of a program to educate students on sexual abuse prevention through age appropriate curricula.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women; State Public Charter School Commission; American Association of University Women, Hawaii; American Association of University Women, Windward; Hawaii Youth Services Network; Planned Parenthood Votes Northwest and Hawaii; Sex Abuse Treatment Center; and one individual. Your Committees received comments on this measure from the Department of Education.

Your Committees find that sexual abuse is a serious and ongoing threat to the safety, health, and well-being of children and young people in the State. Schools are the primary institution outside of the family in which children have constant contact with adults, teachers, and school personnel who are uniquely situated to responsibly educate children about the prevention and reporting of sex abuse, as well as helping at-risk children. Although sex abuse training and curricula approved by the Department of Education exist in Hawaii, they are not implemented in a consistent manner. Implementation of this measure will provide guidance in preparing teachers and school personnel to consistently educate and protect Hawaii’s children.

Your Committees have amended this measure by:

- (1) Deleting language exempting Erin’s Law Task Force meetings from chapter 92, Hawaii Revised Statutes; 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 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. 1787, 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. 1787, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3538 Ways and Means on H.B. No. 2472

The purpose and intent of this measure is to appropriate funds to the Department of Labor and Industrial Relations for five permanent, full-time equivalent labor law enforcement specialists and expenses related to these positions.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Hawaii Construction Alliance, Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii State AFL-CIO, and one individual. Your Committee received written comments on this measure from the General Contractors Association of Hawaii.

Your Committee finds that the Wage Standards Division of Department of Labor and Industrial Relations has a backlog of complaints. Accordingly, your Committee believes that reestablishing and funding five labor law enforcement specialist positions will restore the Division’s ability to effectively enforce Hawaii’s wage laws, including laws regarding wages on public works that use taxpayer funds.

Your Committee has amended the measure by:

- (1) Changing the amount of the appropriation from \$249,864 to an unspecified amount; and
- (2) Changing the effective date to July 1, 2076, 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 H.B. No. 2472, 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. 2472, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3539 Ways and Means on H.B. No. 2121

The purpose and intent of this measure is to appropriate moneys for the purchase of civil legal services for low- and moderate-income persons.

Your Committee received written comments in support of this measure from the Judiciary, Legal Aid Society of Hawaii, Hawaii Access to Justice Commission, Catholic Charities Hawaii, Volunteer Legal Services Hawaii, and twelve individuals.

Your Committee finds that many citizens cannot afford an attorney to help navigate through the court system for civil matters. Civil legal services providers offer assistance and equal access to justice to the most vulnerable members of our community. However, many civil legal service providers have extremely limited resources. Your Committee believes that providing funding for civil legal services will increase the number of low- and moderate-income persons who receive legal assistance in the State and promote equity in the judicial system.

Your Committee has amended this measure by changing the appropriation from \$2,159,632 to an unspecified amount 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. 2121, 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. 2121, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3540 (Majority) Ways and Means on H.B. No. 2279

The purpose and intent of this measure is to appropriate funds to satisfy claims against the State, its officers, and employees for judgments, settlements, and other liabilities.

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 further finds that since this measure was last amended, the State has resolved two additional claims totaling \$135,000.

Your Committee has amended this measure by adding appropriations in the amount of:

- (1) \$100,000 for an order against the Department of Education in the case of E.R.K., et al. v. Department of Education, Civil No. 10-00436 SOM-KSC, USDC; and
- (2) \$35,000 for a settlement involving the Department of Public Safety in the case of Avila v. State of Hawaii, et al., Civil No. 13-1-3149-12 ECN, First Circuit.

As affirmed by the record of votes of the members 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. 2279, 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. 2279, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, 1 (Slom). Excused, 3 (English, Harimoto, Wakai).

SCRep. 3541 (Majority) Ways and Means on H.B. No. 2308

The purpose and intent of this measure is to appropriate funds for collective bargaining cost items for public employees belonging to collective bargaining unit (11).

Specifically, this measure appropriates \$8,447 in fiscal year 2015-2016 and \$33,786 in fiscal year 2016-2017 for cost items negotiated with the exclusive bargaining representative of collective bargaining unit (11).

Your Committee received written comments 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 the Unit (11) Collective Bargaining Agreement for the period of 2011-2017, authorized the parties to reopen negotiations, by February 27, 2015, for employee meal allowances. Pursuant to those reopened negotiations, the parties executed a memorandum of agreement in December 2015 for an increase in the meal allowance. Your Committee further finds that this measure will fund those additional meal reimbursement costs expected to be incurred during this fiscal year and the next.

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 H.B. No. 2308, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2308, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 3542 Ways and Means on H.B. No. 2445

The purpose and intent of this measure is to ensure that public employees whose positions are privatized remain eligible for the rights and benefits of membership in the Employees' Retirement System.

Your Committee received written comments in support of this measure from Hawaii Government Employees Association.

Your Committee received written comments in opposition to this measure from the Department of Budget and Finance and the Board of Trustees of the Employees' Retirement System.

Your Committee finds that this measure will ensure, to the extent possible, that a public employee whose position is privatized, and as a consequence of the privatization the employee's membership and eligibility for continued participation in the pension benefits provided by the Employees' Retirement System has terminated, will be entitled to receive future retirement benefits under the system commensurate with the prior contributions made by the employee or made on the employee's behalf.

Your Committee has amended this measure by removing extraneous language with respect to a resolution submitted to the Board of Trustees of the Employees' Retirement System for the purposes of coverage determination.

As affirmed by the record of votes of the members 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. 2445, 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. 2445, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Slom).

SCRep. 3543 Ways and Means on H.B. No. 2161

The purpose and intent of this measure is to address the staffing shortage in the Disability Compensation Division of the Department of Labor and Industrial Relations.

Specifically, this measure appropriates \$355,526 for the following six full-time equivalent (FTE) positions in the Disability Compensation Division:

- (1) One professional employer organization specialist;
- (2) One vocational rehabilitation specialist;
- (3) One disability compensation enforcement specialist assigned to Kauai;
- (4) One disability compensation enforcement specialist assigned to Kona on the island of Hawaii;
- (5) One auditor; and
- (6) One hearings officer assigned to Kona on the island of Hawaii.

The appropriation also includes funds to provide the officers with legal and medical training.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, Department of Human Resources Development, Chamber of Commerce Hawaii, ILWU Local 142, and one individual.

Your Committee finds that the Disability Compensation Division has been understaffed for many years. Your Committee believes that the additional staff and funds appropriated by this measure will help to alleviate the hearings backlog, provide for accelerated recovery by injured workers, and increase enforcement of workers' compensation laws.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated from \$355,526 to an unspecified amount; and
- (2) Changing the number of positions authorized from six to an unspecified amount,

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. 2161, 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. 2161, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Slom).

SCRep. 3544 Ways and Means on H.B. No. 1689

The purpose and intent of this measure is to foster greater energy security for Hawaii.

Specifically, this measure:

- (1) Amends the existing ethanol facility income tax credit to include facilities that produce other renewable fuels;
- (2) Clarifies that one gallon of renewable fuels shall be equal to 76,330 British thermal units; and
- (3) Clarifies that a renewable fuels production facility must be in production on or before January 1, 2020, to qualify for the tax credit.

Your Committee received written comments in support of this measure from Hawaii Gas and the Ulupono Initiative.

Your Committee received written comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Blue Planet Foundation; and Tax Foundation of Hawaii.

Your Committee finds that Hawaii is vulnerable to soaring fuel 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 further finds that it is critical for Hawaii to ensure greater energy security by becoming more self-sufficient in its energy supply.

Your Committee acknowledges the Department of Taxation's estimate that this measure will result in an annual revenue loss of \$12,000,000.

Your Committee notes that concerns were raised that certain provisions contained in prior drafts of this measure could have been interpreted to violate the Commerce Clause of the United States Constitution. Your Committee further notes that those provisions have been deleted and are not present in the current draft of the measure. Your Committee believes that the measure, as received, comports with the Commerce Clause of the United States Constitution.

Your Committee has amended this measure by changing the renewable fuels facility tax credit from a refundable tax credit to a nonrefundable 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 H.B. No. 1689, 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. 1689, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3545 (Majority) Ways and Means on H.B. No. 970

The purpose and intent of this measure is to address the motor vehicle inspection program.

Specifically, this measure:

- (1) Reduces the insurance information that a motor vehicle inspection station must document on an inspection certificate; and
- (2) Authorizes the Director of Transportation to adopt administrative rules for the administration and enforcement of the motor vehicle inspection program.

Your Committee received written comments in support of this measure from the Department of Transportation.

Your Committee finds that authorizing the Director of Transportation to adopt rules pursuant to chapter 91, Hawaii Revised Statutes, will allow the motor vehicle inspection program to operate more efficiently by providing a more expeditious means for amending program requirements while also allowing for public input.

Your Committee has amended this measure by making conforming amendments to section 286-210, Hawaii Revised Statutes, to reflect usage of the term "inspection sticker," instead of "decal."

As affirmed by the record of votes of the members 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. 970, 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. 970, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, 1 (Slom). Excused, 2 (English, Harimoto).

SCRep. 3546 Ways and Means on H.B. No. 2231

The purpose and intent of this measure is to clarify that a publicly owned energy cooperative may be considered an energy project or a project party under part VI of chapter 39A, Hawaii Revised Statutes, for purposes of receiving financing through special purpose revenue bonds.

Your Committee received written comments in support of this measure from Hawaii Island Energy Cooperative, Hawaii Solar Energy Association, and one individual.

Your Committee finds that pursuant to article VII, section 12 of the state constitution and part VI of chapter 39A, Hawaii Revised Statutes, special purpose revenue bonds may be issued to assist utilities that serve the general public by providing electric energy. Your Committee finds that because publicly owned energy cooperatives can provide electric energy in a manner that is consistent with the public interest and the public health, safety, and general welfare, it is appropriate to clarify that their qualifying projects may be financed through the issuance of special purpose revenue bonds.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 2231, 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. 2231, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3547 Ways and Means on H.B. No. 1736

The purpose and intent of this measure is to rename the Kona International Airport at Keahole as the Ellison Onizuka Kona International Airport at Keahole.

Your Committee recognizes that Ellison Onizuka, best known as Hawaii's first astronaut, was born on the Island of Hawaii. He served in the United States Air Force, where he used his education in aerospace engineering to participate in flight test programs and systems safety engineering for numerous aircraft. In January 1978, the National Aeronautics and Space Administration selected him as an astronaut candidate, and he became the first Japanese-American to venture into space. Tragically, on January 28, 1986, he and six other individuals perished when the Space Shuttle Challenger exploded shortly after lift-off from the Kennedy Space Center at Cape Canaveral, Florida.

Your Committee believes that renaming the Kona International Airport at Keahole as the Ellison Onizuka Kona International Airport at Keahole is a fitting tribute that will honor the legacy and memory of a beloved and respected keiki o ka aina.

Your Committee has amended this measure by changing the effective date from July 1, 2018, to January 1, 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 H.B. No. 1736, 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. 1736, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3548 Ways and Means on H.B. No. 1853

The purpose and intent of this measure is to extend an existing authorization for the issuance of special purpose revenue bonds to assist BioEnergy Hawaii, LLC, from June 30, 2016, to June 30, 2021.

Your Committee received written comments in support of this measure from BioEnergy Hawaii, LLC; Pacific Waste, Inc.; and Aha Moku Advisory Committee.

Your Committee recognizes that Act 89, Sessions Laws of Hawaii 2011, authorized the issuance of special purpose revenue bonds to assist BioEnergy Hawaii, LLC, for the purpose of establishing a cogeneration facility and related energy production facilities. Your Committee finds that this measure will provide BioEnergy Hawaii, LLC, with additional time to fulfill the requirements necessary for issuance of the bonds. Your Committee also finds that extending the existing authorization of the issuance of special purpose revenue bonds to BioEnergy Hawaii, LLC, is in the public interest and for the public health, safety, and general welfare.

Your Committee has amended this measure by changing its effective date to June 29, 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. 1853, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1853, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 10. Noes, none. Excused, 1 (Slom).

SCRep. 3549 Ways and Means on H.B. No. 2388

The purpose and intent of this measure is to facilitate the development or expansion of in-state correctional facilities.

More specifically, this measure:

- (1) Clarifies the Governor's authority to negotiate for the construction of a correctional facility to include the authority to negotiate for construction of a jail and makes conforming amendments;
- (2) Requires the Governor to conduct a feasibility study on restructuring the Oahu Community Correctional Center with a smaller footprint on the land that it currently occupies and redeveloping the remainder of the site;
- (3) Specifies design criteria for a new Oahu Community Correctional Center; and
- (4) Appropriates funds for reconstruction of the Oahu Community Correctional Center and the relocation of the Maui Community Correctional Center.

Your Committee received written comments in support of this measure from the Department of the Attorney General, the Department of Public Safety, and the Building Industry Association-Hawaii.

Your Committee received written comments in opposition to this measure from the Community Alliance on Prisons, Hawaii Friends of Restorative Justice, and two individuals.

Your Committee received written comments on this measure from The Chamber of Commerce Hawaii.

Your Committee finds that the State's correctional facilities are old and in need of replacement or significant repairs. Your Committee further finds that the Oahu Community Correctional Center and Maui Community Correctional Center, in particular, should better serve the needs of their respective inmate populations and more effectively fulfill their public safety roles. Your Committee believes that the State should consider relocating the Oahu facility or rebuilding it on its current site in Kalihi using a more efficient, multi-story design, while considering all financing options. Your Committee also believes that the State should also proceed with the planned relocation of the Maui facility.

Your Committee has amended this measure by:

- (1) Clarifying that the Governor's authority to negotiate for the construction of a correctional facility is not limited to a turnkey facility; and
- (2) Changing the effective date to July 1, 2076, 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. 2388, 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. 2388, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Slom).

SCRep. 3550 Ways and Means on H.B. No. 2617

The purpose and intent of this measure is to address district boundary amendments.

More specifically, this measure:

- (1) Requires the counties to petition the Land Use Commission for regional district boundary amendments needed after adopting updates to their respective general plans;
- (2) Provides additional flexibility to the Land Use Commission in addressing failure to perform in accordance with representations made to the commission or failure to comply with conditions imposed by the commission in its decisions and orders, regardless of whether there has been substantial commencement of use of the land; and
- (3) Defines "substantial commencement" for purposes of land use.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, the state Land Use Commission, and the state Office of Planning.

Your Committee received written comments in opposition to this measure from a member of the Maui County Council, the Department of Planning and Permitting of the City and County of Honolulu, the Planning Department of the County of Hawaii, the Building Industry Association of Hawaii, The Chamber of Commerce Hawaii, the Hawaii Association of Realtors, the Hawaii Island Economic Development Board, Hawaii Laborers Union Local 368, the Hawaii Leeward Planning Conference, the Land Use Research Foundation of Hawaii, and W.H. Shipman Limited.

Your Committee received written comments on this measure from the Planning Department of the County of Kauai.

Your Committee finds that the state Land Use Commission was established to ensure proper conservation, control, and development of Hawaii's land resources. The commission operates within a framework of statutes and rules that is periodically reviewed and revised to allow the commission to more efficiently and effectively manage the State's land resources. Your Committee further finds that existing law unduly limits the remedies that may be utilized when parties fail to comply with conditions of use imposed by the commission. This measure is intended to clarify the commission's powers to address these compliance issues.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 2617, 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. 2617, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3551 Ways and Means on H.B. No. 2489

The purpose and intent of this measure is to appropriate funds for the establishment of a veterans service counselor IV position within the State Office of Veterans' Services to assist all veterans, with a primary focus on female veterans.

Your Committee received written comments in support of this measure from the State Office of Veterans' Services, Hawaii State Democratic Women's Caucus, LGBT Caucus of the Democratic Party of Hawaii, The Sex Abuse Treatment Center, and one individual.

Your Committee finds that women have served in the armed services throughout the nation's history. Currently, women constitute approximately fifteen per cent of the United States Armed Forces. Women are expected to exceed ten per cent of the total veteran population by the year 2020.

Your Committee also finds that female veterans have certain service needs that are separate from their male counterparts. However, veterans' benefits services are often designed to address the needs of male veterans rather than those of female veterans. Your Committee believes that a new counselor position within the State Office of Veterans' Services that primarily focuses on assisting female veterans will help address the unique needs of female veterans.

Your Committee has amended this measure by:

- (1) Replacing its contents with the contents of Senate Bill No. 3113, S.D. 1, part I of which is substantially similar to this bill, and part II of which includes an appropriation for military and veterans commemoration events; and
- (2) Changing the effective date to July 1, 2076, to facilitate further discussion on the measure.

Your Committee notes that various proposals are being considered this session that would provide funding for different military and veteran commemoration events, such as anniversary events for the Vietnam War and Pearl Harbor attack. There is also a \$437,000

grant request being considered by the Legislature. Your Committee believes it is important that funding for these events continues to be considered, whether through the budget, a grant, or a separate bill. Accordingly, your Committee respectfully requests that the Administration indicate its preference for a funding mechanism for these events.

As affirmed by the record of votes of the members 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. 2489, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2489, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, English, Harimoto, Wakai).

SCRep. 3552 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2707

The purpose and intent of this measure is to:

- (1) Require the Department of Health and licensed medical marijuana dispensaries to provide aggregated de-identified data to the Department of Business, Economic Development, and Tourism upon request;
- (2) Amend various definitions and provisions relating to medical marijuana dispensary operations, paraphernalia, transport, and testing;
- (3) Provide that advanced practice registered nurses may certify patients for medical marijuana use;
- (4) Exclude dispensaries from enterprise zone tax exemptions;
- (5) Specify the application and non-application of the Internal Revenue Code to expenses related to the production and sale of medical marijuana and manufactured marijuana products for state income tax purposes;
- (6) Clarify that amounts received for the sale of marijuana or manufactured marijuana products are not exempt from the state general excise tax;
- (7) Allow the University of Hawaii to establish medical marijuana testing and research programs that qualify as commercial enterprises to provide testing services for medical marijuana dispensaries; and
- (8) Establish a legislative oversight working group to develop and recommend legislation to improve the medical marijuana dispensary system.

Your Committees received testimony in support of this measure from The Drug Policy Forum; Hawai'i Dispensary Alliance; Americans for Safe Access, Big Island Chapter; and fourteen individuals. Your Committees received testimony in opposition to this measure from the Department of Transportation and two individuals. Your Committees received comments on this measure from the Department of Business, Economic Development and Tourism; Department of Taxation; University of Hawai'i System; Board of Nursing; and Tax Foundation of Hawaii.

Your Committees find that part IX of chapter 329, Hawaii Revised Statutes (HRS), was enacted to create a state medical use of marijuana law and exemption from criminal sanctions. Furthermore, chapter 329D, HRS, was enacted to establish medical marijuana dispensaries that may begin operations in July 2016. As Hawaii expands its medical marijuana program through the use of highly regulated and monitored dispensaries and more patients are anticipated to consider medical marijuana as a viable treatment, this measure seeks to improve the medical marijuana system in the State.

Your Committees have concerns regarding the provisions that would allow for the interisland transport of medical marijuana. The statutory need for accurate testing of medical marijuana may be difficult to satisfy on each island, thereby making interisland transport solely for testing purposes an attractive and useful option. However, the situation remains that marijuana is still a federally-controlled substance and its transport between islands would subject any person involved in that process to potential criminal prosecution. Your Committees note that this measure envisions a possible role for the University of Hawaii in testing medical marijuana, and therefore urge the relevant agencies and stakeholders to discuss with the University of Hawaii the extent to which its facilities on each island might be able to undertake such testing, thereby eliminating the need for interisland transport.

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 and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2707, 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. 2707, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (English).

SCRep. 3553 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 1996

The purpose and intent of this measure is to:

- (1) Establish a two-year agricultural theft and vandalism pilot project to focus on investigating and prosecuting agricultural theft or agricultural vandalism in the County of Hawaii; and
- (2) Appropriate funds for establishing and implementing the pilot project.

Your Committees received testimony in support of this measure from the Department of Agriculture; Office of the Prosecuting Attorney, County of Hawai'i; Hawaii Fish Company; Hawaii Crop Improvement Association; Hawaii Farmers and Ranchers United; Land Use Research Foundation of Hawaii; Ponoholo Ranch Limited; and eighty-nine individuals.

Your Committees find that agricultural theft and vandalism in the County of Hawaii are impediments to running a successful and profitable farming operation and harmful to consumers. Agricultural theft and vandalism are a serious, ongoing problem, with farmers reporting theft of crops, animals, equipment, and tools, and vandalized fences and gates. Since many incidents of agricultural theft and vandalism are not reported, the annual monetary losses can only be estimated, which is in the millions of dollars. By establishing an agricultural theft and vandalism pilot project for the County of Hawaii, this measure provides additional focus on investigating and prosecuting agriculture theft and vandalism.

Your Committees have 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 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. 1996, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1996, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (English).

SCRep. 3554 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 1997

The purpose and intent of this measure is to:

- (1) Implement the recommendation of the Hawaii Agriculture Workforce Advisory Board that the State should create a K-12 agriculture workforce development pipeline initiative to conduct training on all islands for teachers and school administrators in agricultural self-sufficiency; and
- (2) Appropriate funds for the development, operation, and implementation of the initiative, including the hiring of a coordinator and workforce development specialist.

Your Committees received testimony in support of this measure from the Department of Agriculture; Department of Education; Department of Labor and Industrial Relations; Hawaii State Teachers Association; Hawai'i Farm Bureau; Hawaii Fish Company, Inc.; Hawaii Farmers & Ranchers United; Land Use Research Foundation of Hawaii; Ponoholo Ranch Limited; and eighty-eight individuals.

Your Committees find that Act 99, Session Laws of Hawaii 2013, established the Hawaii Agriculture Workforce Advisory Board to advise the Department of Labor and Industrial Relations on, among other things, projects and programs recommended to promote the expansion and development of the State's agricultural industry. One recommendation of the Advisory Board is for the State to create an agriculture workforce development pipeline initiative to conduct training on all islands for teachers and school administrators in agricultural self-sufficiency. This measure would implement that recommendation.

Your Committees have amended this measure by:

- (1) Adopting clarifying language suggested by the Department of Labor and Industrial Relations regarding the duties of the coordinator of the K-12 agriculture workforce development pipeline initiative to carry out the purposes of the initiative;
- (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. 1997, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1997, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (English).

SCRep. 3555 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2226

The purpose and intent of this measure is to appropriate funds for three full-time equivalent permanent positions within the Office of Language Access.

Your Committees received testimony in support of this measure from the Office of Language Access, Office of Language Access Advisory Council, American Civil Liberties Union of Hawai'i, Catholic Charities of Hawai'i, Faith Action for Community Equity, Hawaii Filipino Lawyers Association, Hawai'i Friends of Civil Rights, and four individuals.

Your Committees find that the Office of Language Access is charged with providing oversight, central coordination, and technical assistance to state and state-funded agencies in their implementation of language access compliance, which is a civil right under federal and state law. However, a reduction in staff has made it difficult for the Office of Language Access to provide adequate technical assistance and compliance monitoring that meet agencies' needs. Implementation of this measure will ensure that the Office of Language Access is able to continue to assist state and state-funded agencies in understanding and meeting certain civil rights obligations to provide language access, and avoid costly penalties and expenses or the loss of federal funding.

Your Committees have amended this measure by:

- (1) Inserting blank numbers of full-time equivalent permanent positions within the Office of Language Access;
- (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. 2226, H.D. 2, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2226, H.D. 2, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3556 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2647

The purpose and intent of this measure is to establish and appropriate funds for a Work for a Day Pilot Program to be administered by the City and County of Honolulu that provides homeless individuals with work opportunities.

Your Committees received testimony in support of this measure from the American Civil Liberties Union of Hawai'i and three individuals. Your Committees received comments on this measure from the Coordinator on Homelessness under the Office of the Governor.

Your Committees find that there are programs being introduced throughout the United States that help homeless individuals find work and afford shelter. A pilot program was launched in New Mexico to assist individuals in leaving the streets and connecting them with work. The pilot program is proving to be a success and is receiving national attention. A similar pilot program was introduced in Arizona to assist homeless individuals attain temporary jobs. Implementation of this measure will establish a local pilot program on Oahu that is similar to the programs in New Mexico and Arizona, and reduce the significant barriers that homeless individuals encounter in seeking employment.

Your Committees have amended this measure by:

- (1) Deleting language designating the appropriation for fiscal year 2016-2017;
- (2) Clarifying that no funds may be expended unless matched dollar-for-dollar by the city and county of Honolulu, rather than limiting the dollar-for-dollar match to the second and third years of the pilot 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. 2647, 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. 2647, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3557 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2671

The purpose and intent of this measure is to assist the Attorney General in the reporting of critical criminal justice data and to clarify the responsibilities of county police departments and certain state and county agencies to provide data in a timely manner by:

- (1) Requiring that the county chiefs of police and state and county agencies with arrest powers to provide crime incident reports and other related crime information to the Attorney General for inclusion in a statewide crime reporting program, and to cooperate with the Federal Bureau of Investigation's Uniform Crime Reporting Program; and
- (2) Establishing a fine for state and county agency noncompliance with the requirements of this measure.

Your Committees received testimony in support of this measure from the Department of the Attorney General.

Your Committees find that no statewide database of crime incidents exists in Hawaii. This measure promotes comprehensive reporting and collection of crime data, which are vital to the ability of law enforcement agencies to efficiently and effectively discharge their duty to protect the public.

Your Committees have amended this measure by:

- (1) Inserting a blank dollar amount for the fine imposed for each day of noncompliance with the requirements of this measure;
- (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. 2671, 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. 2671, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 10. Noes, none. Excused, 1 (Galuteria).

SCRep. 3558 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2772

The purpose and intent of this measure is to require the University of Hawaii to, among other things:

- (1) Train all employees and students on sexual harassment, sexual assault, domestic violence, dating violence, and stalking laws and policies; provided that any student who does not complete training is prohibited from registering for classes the next semester and from graduating;
- (2) Designate a confidential advocate for students at each of its campuses and provide certain contact information for confidential advocates on the website of each respective campus;
- (3) Make available to students and employees written and electronic materials and training programs concerning Title IX of the Higher Education Amendments of 1972; the Violence Against Women Act of 1994; and University of Hawaii policies concerning sexual harassment, sexual assault, domestic violence, dating violence, and stalking;
- (4) Inform victims in writing of the right to report all sexual-assault cases to the county police department for investigation and assist victims in submitting the police report;
- (5) Require designated "responsible employees" to report any violations of University of Hawaii executive policies regarding sexual harassment, sexual assault, domestic violence, dating violence, and stalking to the Title IX Coordinator;
- (6) Require the confidential advocate to annually provide general statistics to the Title IX Coordinator on the number and type of incidents received by the confidential advocate; and
- (7) Conduct a campus climate survey of all students every two years, beginning no later than December 31, 2016.

Your Committees received testimony in support of this measure from the Hawaii State Commission on the Status of Women, Planned Parenthood Votes Northwest and Hawaii, and one individual. Your Committees received comments on this measure from the University of Hawai'i System.

Your Committees find that the affirmative consent task force, established by Act 222, Session Laws of Hawaii 2015, reviewed and made recommendations regarding the University of Hawaii executive policies on sexual harassment, sexual assault, domestic violence, dating violence, and stalking. Implementation of this measure will improve accountability and promote a safe environment free from sexual harassment, sexual assault, domestic violence, dating violence, and stalking at the University of Hawaii.

Your Committees have amended this measure by:

- (1) Deleting language prohibiting any student who does not complete training from registering for classes the next semester and from graduating;
- (2) Appropriating a blank amount to the University of Hawaii; 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. 2772, 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. 2772, H.D. 1, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahale, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3559 Judiciary and Labor on H.B. No. 1581

The purpose and intent of this measure is to:

- (1) Require contested case hearings of the Commission on Water Resource Management, Land Use Commission, Public Utilities Commission, Hawaii Community Development Authority, and those involving conservation districts to be appealed directly to the Supreme Court;
- (2) Make conforming amendments to reflect the contested case hearings requirements of those boards and commissions; and
- (3) Require the Judiciary to submit a report to the Legislature regarding the change in judicial proceedings due to this measure.

Your Committee received testimony in support of this measure from The Chamber of Commerce Hawaii and Building Industry Association of Hawaii. Your Committee received comments on this measure from the Judiciary and Department of the Attorney General.

Your Committee finds that this measure would substantially reduce the time required to resolve disputes on agency actions involving the Commission on Water Resource Management, Land Use Commission, Public Utilities Commission, Hawaii Community Development Authority, and those involving conservation districts. Reducing the number of decisions and appeals on an already cumbersome land use entitlement process would improve predictability and certainty and reduce the risk currently associated with Hawaii's land use entitlement process.

Your Committee has amended this measure by:

- (1) Clarifying that for contested case proceedings of the Commission on Water Resource Management, Land Use Commission, and those involving conservation districts, only a person aggrieved in the contested case proceeding may appeal and adding the definition of "person aggrieved";

- (2) Excluding appeals arising from shoreline setback under part III of chapter 205A, Hawaii Revised Statutes (HRS), and public access to coastal and inland recreational areas under chapter 115, HRS, for contested case proceedings involving conservation districts under chapter 183C, HRS; 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. 1581, 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. 1581, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Kahele, Shimabukuro, Thielen).

SCRep. 3560 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 1907

The purpose and intent of this measure is to:

- (1) Require all law enforcement agencies and departments charged with maintenance, storage, and preservation of sexual assault evidence collection kits to conduct an inventory of all kits they store and transmit a report of the number of untested sexual assault evidence collection kits they possess to the Department of the Attorney General by December 1, 2016; and
- (2) Require the Department of the Attorney General to report the number of untested sexual assault evidence collection kits being stored and various information related to those kits by December 1, 2017.

Your Committees received testimony in support of this measure from the Department of the Attorney General; Hawaii State Commission on the Status of Women; Department of the Prosecuting Attorney, City and County of Honolulu; American Association of University Women of Hawaii; American Association of University Women Windward; Joyful Heart Foundation; Maui Sexual Assault Center; Planned Parenthood Votes Northwest and Hawaii; The Sexual Abuse Treatment Center; YWCA of Hawai'i Island; YWCA of Kaua'i; Women's Caucus of the Democratic Party of Hawai'i; Hawaii Women's Coalition; and four individuals.

Your Committees find that evidence collected through sexual assault kits should be analyzed and recorded within a reasonable time to ensure that the evidence is available to identify and prosecute perpetrators of sexual assaults, establish or eliminate possible connections between perpetrators and other crimes, and exonerate innocent defendants who are wrongfully accused. Your Committees further find that sexual assailants are frequently serial offenders, and that testing the backlog of untested sexual assault kits could allow prosecution of previously unidentified sexual assailants.

Your Committees have amended this measure by:

- (1) Changing the due date from December 1, 2016, to September 30, 2016, for law enforcement agencies and departments responsible for sexual assault evidence collection kits to conduct an inventory of all kits and transmit a report to the Department of the Attorney General;
- (2) Changing the due date from December 1, 2017, to December 1, 2016, for the Department of the Attorney General to report on the number of untested sexual assault evidence collection kits and related information;
- (3) Adding language to require that the report regarding untested sexual assault evidence kits include the criteria used and the sites and locations of the testing of untested sexual assault evidence collection kits and new sexual assault evidence collection kits;
- (4) Inserting an appropriation of an unspecified amount to the Department of the Attorney General to initiate the testing of at least five hundred untested sexual assault evidence collection kits by December 31, 2016, and requiring the Department to distribute the funds among the Counties of Hawaii and Maui, and the City and County of Honolulu based on each county's pro rata share of untested kits as of July 1, 2016;
- (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 Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1907, 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. 1907, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahele, Kim, Thielen).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3561 Judiciary and Labor on H.B. No. 2343

The purpose and intent of this measure is to align state law with changes to the federal Child Care and Development Block Grant, P.L. 113-186, including requiring the Department of Human Services to conduct background checks, including sex offender registry checks, on household members and all employees of child care facilities and providers that are licensed or registered by or receive subsidies from the State.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that this measure is necessary to align state law with P.L. 113-186, the Child Care and Development Block Grant Act of 2014, enacted on November 19, 2014, which made significant changes to the Child Care and Development Block Grant requirements to ensure the health, safety, and well-being of children served under the grant.

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. 2343, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2343, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3562 Judiciary and Labor on H.B. No. 2350

The purpose and intent of this measure is to bring the State into compliance with the Preventing Sex Trafficking and Strengthening Families Act of 2014 by:

- (1) Expanding the opportunities for children in foster care to participate equally with their classmates and peers by providing qualified immunity from liability for resource caregivers and child caring institutions for their decisions regarding the child's participation in age-appropriate or developmentally appropriate extracurricular, enrichment, cultural, and social activities; and
- (2) Lowering the age from sixteen to fourteen years of age for children in foster care to be consulted in the development of their foster care plan.

Your Committee received testimony in support of this measure from the Hawaii Youth Opportunities Initiative; EPIC 'Ohana, Inc.; Family Program Hawaii's It Takes an Ohana Program; and sixteen individuals. Your Committee received comments on this measure from the Hawaii Association for Justice.

Your Committee finds that the Preventing Sex Trafficking and Strengthening Families Act of 2014, Public Law 113-183, expands the opportunities for children in foster care to participate in age-appropriate or developmentally appropriate extracurricular, enrichment, cultural, and social activities equal to their classmates and peers and requires children in foster care, fourteen years of age and older, to be included in case planning and be informed of their rights and options. Implementation of this measure will better prepare children for a successful transition from foster care into adulthood and enhance the capacity of resource caregivers and child caring institutions to encourage and support children in foster care to participate in ordinary childhood activities.

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. 2350, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2350, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3563 Judiciary and Labor on H.B. No. 2391

The purpose and intent of this measure is to:

- (1) Authorize the Director of Public Safety to order the release of a pretrial or sentenced misdemeanor on recognizance to prevent overcrowding when a community correctional center has reached capacity;
- (2) Specify circumstances in which a pretrial or sentenced misdemeanor is ineligible for release;
- (3) Clarify that the authority to release a pretrial or sentenced misdemeanor is granted solely for the purpose of managing the population of the community correctional centers and does not confer to a pretrial or sentenced misdemeanor the right to be released;
- (4) Require the Director of Public Safety to notify the court and the prosecuting attorney of the release of the misdemeanor no later than twenty-four hours prior to the time of the actual release;
- (5) Clarify that a released pretrial or sentenced misdemeanor is subject to the conditions under section 804-7.4, Hawaii Revised Statutes (HRS); and
- (6) Apply early release to only those persons whose original crime occurred on or after the effective date.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of Public Safety, Community Alliance on Prisons, and three individuals. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney, City and County of Honolulu.

Your Committee finds that correctional facilities in Hawaii suffer from persistent overcrowding. This condition adversely affects the ability of the State to adequately provide for the safe, secure, and humane incarceration of inmates in its care and custody. This measure provides a reasonable alternative to incarceration that will relieve overcrowded jail conditions in Hawaii.

Your Committee has amended this measure by:

- (1) Replacing references to pretrial or sentenced misdemeanants with references to misdemeanants and adding a definition of "misdemeanants" to include a person incarcerated at a community correctional facility who has been charged with a petty misdemeanor or misdemeanor or an incarcerated person who has been sentenced pursuant to section 706-663, HRS;
- (2) Establishing that the State or any of its officers or employees acting in their official capacity shall not be subject to any civil liability or penalty nor to any criminal prosecution for any error in judgment or discretion made in good faith and upon reasonable grounds for release of a misdemeanant;
- (3) Making a conforming amendment to section 706-663, HRS;
- (4) Requiring the Director of Public Safety to report to the Legislature prior to the Regular Sessions of 2018, 2019, and 2020 regarding the release of certain misdemeanants;
- (5) Clarifying that this measure applies only to persons charged with offenses subject to sentencing in section 706-663, Hawaii Revised Statutes, on or after the effective date of this measure;
- (6) Inserting a sunset date of July 1, 2020; 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 H.B. No. 2391, 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. 2391, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Kim, Thielen, Slom).

SCRep. 3564 Judiciary and Labor on H.B. No. 900

The purpose and intent of this measure is to:

- (1) Provide that a person commits medical assistance fraud if the person knowingly makes or causes to be made a false statement or representation of a material fact relative to any medical assistance benefit;
- (2) Clarify that fraudulently applying for or renewing medical assistance benefits is a class C felony and specifies the restitution amount chargeable for a violation; and
- (3) Apply the extended statute of limitations to offenses in which medical assistance fraud is an element.

Your Committee received testimony in support of this measure from one individual.

Your Committee finds that this measure will allow for more effective prosecution of applicants who fraudulently obtain medical assistance paid for by the State. Existing law could be interpreted to apply only to fraud committed by health care providers, and not to fraud committed by individual recipients of medical assistance benefits. This measure will make it clear that the law also applies to fraud committed by individual recipients and enable prosecutors to commence actions for medical assistance fraud beyond the three-year statute of limitations established by section 701-108(2), Hawaii Revised Statutes.

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. 900, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 900, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3565 Judiciary and Labor on H.B. No. 2252

The purpose and intent of this measure is to ensure that:

- (1) Families are supported by requiring that all patients in an inpatient hospital be given the opportunity to designate a caregiver who shall be notified prior to the discharge or transfer of the patient;
- (2) The patient and the designated caregiver are involved in the discharge planning process; and
- (3) The patient and caregiver are provided a consistent level of instructional support, both written and oral, prior to discharge to facilitate the patient's transition to the home setting regardless of which facility the patient is in.

Your Committee received testimony in support of this measure from the AARP Hawaii, Hawai'i Pacific Health, Healthcare Association of Hawaii, The Queen's Health Systems, Project Dana, and four individuals.

Your Committee finds that Hawaii's population of older adults continues to increase. In 2012, it was estimated that Hawaii had the highest percentage of residents over the age of eighty-five in the United States. Over the next twenty years, the percentage of Hawaii's residents over the age of eighty-five is projected to grow even higher. These individuals are the most likely to need long-term supports and services and will likely rely on family and friends as their caregivers due to financial and resource constraints.

Your Committee further finds that while strong home- and community-based resources, such as respite, non-medical transportation services, and home-delivered meals, are important to help caregivers and their loved ones, medical supports are also important. Coordination among primary care providers along with preventive care will enable many seniors and other individuals with chronic or debilitating conditions to stay in their homes longer. However, in the event of an acute episode, hospitals must provide assistance to patients and their caregivers in order to prepare them for discharge and help them transition back to their homes. This measure ensures that all patients in an inpatient hospital have the opportunity to designate a caregiver who shall be notified prior to the discharge or transfer of the patients, involved in discharge planning, and provided instructional support, to enable patients to transition back to their homes.

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. 2252, 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. 2252, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3566 Ways and Means on H.B. No. 545

The purpose and intent of this measure is to address funding for the University of Hawaii.

More specifically, this measure:

- (1) Establishes the University of Hawaii quasi-endowment trust fund;
- (2) Reclassifies the Hawaii educator loan program special fund as a revolving fund and makes conforming amendments;
- (3) Repeals the following special funds:
 - (A) The University of Hawaii alumni special fund;
 - (B) The animal research farm, Waialeale, Oahu special fund;
 - (C) The career and technical training projects revolving fund for the University of Hawaii at Hilo;
 - (D) The conference center revolving fund for the conference center program in the college of continuing education and community service of the University of Hawaii at Hilo;
 - (D) The Senator Hiram L. Fong scholarship program endowment trust fund;
 - (E) The Senator Oren E. Long scholarship program endowment trust; and
 - (F) The Hawaii health corps revolving fund;
- (4) Reclassifies the professional student exchange program special fund as a revolving fund;
- (5) Abolishes the following administratively established funds:
 - (A) The hurricane Iniki insurance proceeds special fund administratively established in 1993 and administered by the University of Hawaii; and
 - (B) The agency fund trust account administratively established prior to July 1985 and administered by the University of Hawaii; and
- (6) Provides that all unencumbered balances remaining in the accounts and funds repealed by this measure shall lapse to the credit of the general fund on July 1, 2015.

Prior to the hearing on this measure, a proposed S.D. 2 was prepared and made available for public review. The proposed S.D. 2 amended this measure by:

- (1) Deleting the contents of the measure;
- (2) Adding new provisions that require the Director of Finance to transfer \$300,000 from the bureau of conveyances special fund to the Hawaii historic preservation special fund; and
- (3) Appropriating \$300,000 from the Hawaii historic preservation special fund for the integrated information management system and document digitation of the State Historic Preservation Division.

Your Committee received testimony in support of the proposed S.D. 2 from the Department of Land and Natural Resources and one individual.

Your Committee received comments on the proposed S.D. 2 from the Tax Foundation of Hawaii.

Your Committee finds that excess revenues may be transferred from one special fund to another special fund and be appropriated when necessary for specified purposes.

Accordingly, your Committee has amended this measure by:

- (1) Adopting the proposed draft of H.B. No. 545, H.D. 1, S.D. 2;

- (2) Clarifying that the amount the Director of Finance is directed to transfer, from the bureau of conveyances special fund to the Hawaii historic preservation special fund, is \$300,000 or so much thereof as may be necessary for fiscal year 2015-2016; and
- (3) Adding language to the preamble section to specify the affected funds.

As affirmed by the record of votes of the members 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. 545, 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. 545, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3567 Ways and Means on H.B. No. 2086

The purpose and intent of this measure is to increase use of multi-modal forms of transportation in the State.

Specifically, the measure:

- (1) Requires the Department of Transportation to update the state transportation plan to include state and county bicycle facilities;
- (2) Requires the Department of Transportation to develop and update a statewide transportation improvement program to improve the scheduling of transportation construction;
- (3) Requires the Department of Transportation to create, and update every three years, a statewide household transportation survey to gather information on the use of private vehicles, public transportation, walking, and bicycles for transportation;
- (4) Requires each county to develop transportation mode share plans to increase non-automobile modes of transportation; and
- (5) Appropriates funds for the transportation survey.

For 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:

- (1) Appropriates \$37,000,000 in general funds to the state highway fund to address immediate deficits in that fund; and
- (2) Requires the Governor to submit a report to the Legislature by November 1, 2018, on the sustainability of the state highway fund.

Your Committee received written comments in support of the S.D. 1 from the County of Kauai Planning Department, Hawaii Bicycling League, and Blue Planet Foundation.

Your Committee received written comments on the S.D. 1 from Bikeshare Hawaii.

Your Committee received testimony in support of the Proposed Draft from the Department of Transportation, City and County of Honolulu Department of Transportation Services, Chamber of Commerce Hawaii, Building Industry Association Hawaii, Hawaii Transportation Association, American Council of Engineering Companies of Hawaii, and two individuals.

Your Committee received comments on the Proposed Draft from the Department of Business, Economic Development, and Tourism.

Your Committee finds that due, in part, to decreased revenues from fuel taxes and increased expenses, the costs to operate and maintain the state highway system will exceed available revenues. Your Committee further finds that appropriating general funds to the state highway fund will allow the Department of Transportation to continue to maintain Hawaii's highways while a long-term solution for the deficit is developed.

Your Committee has amended this measure by replacing its contents with the contents of the Proposed Draft.

As affirmed by the record of votes of the members 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. 2086, 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. 2086, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Slom).

SCRep. 3568 Ways and Means on H.B. No. 1982

The purpose and intent of this measure is to authorize the issuance of special purpose revenue bonds to assist Big Island Dairy, LLC, in an agricultural enterprise.

Your Committee received written comments in support of this measure from the Department of Agriculture; Hawaii Farm Bureau; Ulupono Initiative; Hawaii Cattlemen's Council, Inc.; The Local Food Coalition; Ponoholo Ranch; Big Island Dairy, LLC; Hawaii Foodservice Alliance, LLC; 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 Budget and Finance.

Your Committee finds that this measure supports the local food industry and furthers the State's goal of food self-sufficiency. Your Committee also finds that Big Island Dairy, LLC's operation of its dairy farm in Ookala is an agricultural enterprise under part X, chapter 39A, Hawaii Revised Statutes. Your Committee further finds that the issuance of special purpose revenue bonds under this measure 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 H.B. No. 1982, 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 (English, Harimoto).

SCRep. 3569 Ways and Means on H.B. No. 401

The purpose and intent of this measure is to address voter registration.

More specifically, this measure:

- (1) Requires that an affidavit on an application for voter registration be part of the application associated with the issuance of a motor vehicle driver's license or identification card;
- (2) Allows applicants for a new or renewed motor vehicle driver's license, provisional license, instruction permit, or new, renewed, or duplicate identification card to be automatically registered to vote if that person is not already registered to vote, unless the applicant affirmatively declines to be registered to vote;
- (3) Requires the examiner of drivers to collect the necessary personal information required for voter registration and transmit the information to the clerk of the county in which the applicant resides, election officials, and the statewide voter registration system;
- (4) Authorizes access to and electronic transmission to election officials and the statewide voter registration system of databases that are maintained or operated by the counties or the Department of Transportation and contain driver's license or identification card information;
- (5) Requires the clerk of the county in which the applicant resides to review the application and, if the application is approved, register the name of the voter in the general county register; and
- (6) Makes various conforming amendments to reflect the requirement of automatic voter registration on an application for a motor vehicle driver's license or identification card.

Your Committee received written comments in support of this measure from the Office of Elections, Office of Hawaiian Affairs, League of Women Voters of Hawaii, LGBT Caucus of the Democratic Party of Hawaii, and two individuals.

Your Committee written comments on this measure from the Department of Transportation.

Your Committee finds that this measure will help increase voter registration in the State by providing the option for individuals to register to vote when applying for driver's licenses and state identification cards.

Your Committee respectfully requests that a subject matter committee that subsequently deliberates on this measure consider the amendment suggested by the Office of Elections regarding clarification on what data will be immediately electronically transmitted to election officials, and continue to improve details in the language and implementation 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 H.B. No. 401, 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 (English, Taniguchi).

SCRep. 3570 Ways and Means on H.B. No. 2009

The purpose and intent of this measure is to require the Hoisting Machine Operators Advisory Board to submit a report to the Legislature on regulatory laws and certification procedures and fees relating to hoisting machine operators.

Your Committee received written comments in support of this measure from the Hoisting Machine Operators Advisory Board and the Hawaii Construction Alliance.

Your Committee finds that the report required under this measure will provide necessary and valuable insight on worker safety and whether it is being adequately addressed by the current board processes and procedures.

As affirmed by the record of votes of the members 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. 2009, 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 (English, Inouye, Slom).

SCRep. 3571 Ways and Means on H.B. No. 2263

The purpose and intent of this measure is to appropriate moneys for the Department of Business, Economic Development, and Tourism to conduct a study on the development and economic viability of a small satellite launch and processing facility on the island of Hawaii.

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 Aha Moku Advisory Committee.

Your Committee finds that the State's geographic location, particularly the island of Hawaii, makes the State an ideal location for equatorial launches of spacecraft and small satellites.

Your Committee also finds that recent advances in the miniaturization of satellite components, standardization in satellite parts, and related factors have made the manufacture, launch, and operation of small satellites a potentially prosperous industry. However, your Committee believes that further research should be conducted on the development and economic viability of a small satellite launch and processing facility on the island of Hawaii to determine whether this industry would be beneficial for the State.

Your Committee notes the original draft of this measure included an appropriation of \$100,000 for the preparation of the economic assessment study.

As affirmed by the record of votes of the members 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. 2263, 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 (English, Slom).

SCRep. 3572 Judiciary and Labor on H.B. No. 939

The purpose and intent of this measure is to clarify that the Department of Health may amend birth certificates to establish or change parenthood only pursuant to a court order or other legal establishment of parenthood and that the amendment shall not be considered a correction of a personal record under the Uniform Information Practices Act.

Your Committee received testimony in support of this measure from the Department of the Attorney General, Department of Health, and Office of Information Practices. Your Committee received comments on this measure from one individual.

Your Committee finds that births are required to be registered in the State, and birth certificates are used as prima facie evidence to prove important factors such as identity, citizenship, parenthood, age, sex, and race. There are legal presumptions regarding parenthood that are established by law, and the rights of parents, which are protected by the federal and state constitutions, can be significantly impacted by birth certificate amendments regarding parenthood. Existing law allows persons to file late birth certificates or amend birth certificates upon submitting proof required by the Department of Health. However, because the Department of Health is not qualified to evaluate anecdotal or genetic evidence of parenthood and has no means to afford due process to existing parents whose rights would effectively be terminated by an amendment that changes a parent on a birth certificate, individuals have sued the Department and been awarded attorney's fees and other costs. This measure would assure that changes to parental rights arising from birth certificate amendments would be subject to judicial determination and existing legal presumptions regarding parenthood, support the Department of Health's longstanding interpretation of its own law and rules, maintain the accuracy of vital records in Hawaii, and protect the State from significant unnecessary costs and attorney's fees.

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. 939, and recommends that it pass Third Reading.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3573 Judiciary and Labor on H.B. No. 1556

The purpose and intent of this measure is to:

- (1) Amend chapter 88, Hawaii Revised Statutes, to clarify that people who are employed at the University of Hawaii and are also elective officers are prohibited from earning any additional benefits as a result of holding the second position; and
- (2) Authorize the University of Hawaii to employ people who are candidates for, or are elected to, a non-statewide or non-countywide public office as casual employees in a non-executive or non-managerial position at the University.

Your Committee received testimony in support of this measure from the University of Hawaii Professional Assembly. Your Committee received comments on this measure from the Employees' Retirement System and University of Hawai'i System.

Your Committee finds that this measure allows employees of the University of Hawaii to contribute to their community by holding a public office without first sacrificing their employment at the University and vice versa. Your Committee also finds that expanding the pools of candidates for public office and for employment at the University is a benefit to the public offices, the University, and the State.

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. 1556, 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 (Thielen, Slom).

SCRep. 3574 Judiciary and Labor on H.B. No. 1747

The purpose and intent of this measure is to:

- (1) Authorize a police officer citing or arresting a driver for certain traffic violations to have the motor vehicle that the driver was operating at the time of the citation or arrest towed to a private tow yard and impounded at the registered owner's expense;
- (2) Provide exceptions for a vehicle to not be towed or impounded under certain circumstances;
- (3) Specify that no county police department or police officer shall be responsible for the protection of a motor vehicle left on any public way or private property after the operator of the motor vehicle has been arrested for certain traffic violations; and

- (4) Provide notice and administrative hearing requirements for the lien holder or registered owner to recover possession of the impounded motor vehicle or demand an administrative hearing to contest the basis given for the impoundment of the motor vehicle.

Your Committee received testimony in support of this measure from the Department of Transportation; Office of the Prosecuting Attorney, County of Hawai'i; and one individual. Your Committee received testimony in opposition to this measure from the Police Department, County of Maui; and one individual.

Your Committee finds that numerous drivers are cited each year for violations such as operating a vehicle without a license, operating a vehicle with a suspended or revoked license, and operating a vehicle under the influence of an intoxicant. Unfortunately, many of these drivers continue to operate their motor vehicles immediately after receiving these citations. By allowing police officers to tow and impound a motor vehicle if the operator of that motor vehicle is arrested or cited for certain serious traffic offenses, this measure acts as a deterrent to these types of activities and makes Hawaii's roadways safer.

Your Committee notes the concerns raised in testimony submitted by the Office of the Prosecuting Attorney of the County of Hawaii that the exception to towing or impounding for a motor vehicle that is engaged in community caretaking at the time of the encounter is ambiguous and could cause the statute to be void. The Office testified that there are certain interactions between police officers and citizens that do not require legal justification because local police officers are charged with community caretaking functions that are totally separate from the detection, investigation, or acquisition of evidence relating to violation of any criminal statute. The community caretaking exception is an exception to the warrant requirements under the United States Constitution, which is cited under *Cady v. Dombrowski*, 413 U.S. 433 (1973). Your Committee believes the exception for a motor vehicle that is engaged in community caretaking at the time of the encounter merits further discussion as this measure moves through the legislative process.

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. 1747, 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 (Thielen, Slom).

SCRep. 3575 Ways and Means on H.B. No. 1700

The purpose and intent of this measure is to adjust appropriations for the operating and capital budgets of executive branch agencies and programs.

Your Committee received testimony in support of this measure from the Office of the Governor; Office of the Lieutenant Governor; The Judiciary; Department of Agriculture; Department of Accounting and General Services; Department of Business, Economic Development, and Tourism; Department of Budget and Finance; Department of Commerce and Consumer Affairs; Department of Defense; Department of Education; Department of Hawaiian Home Lands; Department of Human Services; Department of Labor and Industrial Relations; Department of Land and Natural Resources; Department of Taxation; Early Learning Advisory Board; Executive Office on Early Learning; Hawaii Green Infrastructure Authority; Hawaii Health Systems Corporation; East Hawaii Region of Hawaii Health Systems Corporation; Kona Community Hospital, West Hawaii Region, Hawaii Health Systems Corporation; Hawaii Housing Finance and Development Corporation; Hawaii State Public Library System; Office of Information Practices; State Council on Developmental Disabilities; State Public Charter School Commission; Maui County Office on Aging; Department of Water County of Kaua'i; Mililani/Waipio/Melemanu Neighborhood Board No. 25; Wahiawa-Whitmore Village Neighborhood Board No. 26; ALEA Bridge; Associated Students of the University of Hawai'i at Windward Community College; Bare Feet Studios LLC; Ben Dyre Family Limited Partnership; Bishop Museum; Blue Startups; Cancer Action Network; Catholic Charities Hawai'i; Chamber of Commerce Hawaii; Child & Family Service; Community Children's Council of Hawaii; Conservation Council for Hawaii; EAH Housing; Faith Action for Community Equity Housing Task Force; General Contractors Association of Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Association for the Education of Young Children; Hawaii Children's Action Network; Hawaii Disability Rights Center; Hawaii Emergency Physicians Associated; Hawaii Family Advocates; Hawaii Green Growth; Hawaii Laborers-Employers Cooperation and Education Trust; Hawai'i Nurses' Association; Hawai'i Pacific University; Hawaii Public Charter Schools Network; Hawaii Regional Council of Carpenters; Hawaii State American Federation of Labor-Congress of Industrial Organizations; Hawaii State Teachers Association; Hawaii's Thousand Friends; iFirst Medical Technologies; International Brotherhood of Electrical Workers 1260; International Union of Bricklayers and Allied Craftworkers Local #1 of Hawaii; International Union of Painters and Allied Trades District Council 50; Kamehameha Schools; Kaua'i Watershed Alliance; Kawaikini New Century Public Charter School; Lanakila Pacific; Land Use Research Foundation of Hawaii; mbloom Ventures; National Tropical Botanical Garden; North Shore Chamber of Commerce; Pacific Resource Partnership; Partners in Care; Project Dana; Protect Leahi & Maluhia 'Ohana; Roman Catholic Church in the State of Hawaii Diocese of Honolulu; Special Education Advisory Council; Startup Capital Ventures; Supporting the Language of Kaua'i, Inc.; The Community Health Outreach Work to Prevent AIDS Project; The Maritime Group; The Nature Conservancy; The Queen's Medical Center; The Sex Abuse Treatment Center; The Wahiawa Center for Community Health; Wahiawa Community and Business Association; Wahiawa General Hospital; and ninety-one individuals.

Your Committee received testimony in opposition to this measure from thirty-nine individuals.

Your Committee received comments on this measure from the Department of the Attorney General; Department of Health; Department of Human Resources Development; Department of Public Safety; University of Hawai'i System; Office of Enterprise Technology Services; Public Utilities Commission; Executive Office on Aging; The University of Hawaii Professional Assembly; Airport Concessionaires Committee; Box Jelly; Compendio; DevLeague; Early Childhood Action Strategy; Energy Excelsator; Experiad Solutions; Fisher Hawaii; Goma Games LLC; GVS Accelerator; Hawaii American College of Emergency Physicians; Hawaii Business and Entrepreneur Acceleration Mentors; Hawaii Family Forum; Hawaii Fish Company, Inc.; Hawai'i Pacific Health; Hawaii Primary Care Association; Hawaii Surfing Promotions; HICapacity LLC; High Technology Development Corporation; HNL.io; Ho'ola Lahui Hawai'i; Hyperspective; Kokua Kalihi Valley Comprehensive Family Services; Kua o Ka La Public Charter School; Lana'i Community Health Center; PyHawaii; Royal Contracting Co., Ltd; Smart Yields; Startup Weekend Honolulu; Sudokrew; Techmana LLC; Tow Choice; United Public Workers; Waimanalo Health Center; and ninety-seven individuals.

PART I. OVERVIEW

Your Committee has formulated an executive supplemental budget that:

- (1) Balances the current needs of the State with long-term state resource planning;
- (2) Redirects cost savings from debt service payments and contract costs;
- (3) Rebuilds and connects resources to achieve greater efficiency in the future;
- (4) Supports and funds legislative priorities; and
- (5) Addresses the need for affordable housing and provides for homeless services on all islands.

Your Committee took a prudent and deliberate approach in thoroughly vetting every budgetary and program need to craft a budget that is suitable for immediate passage.

This measure, as amended by your Committee (the Senate Draft), reduces the fiscal year 2015-2016 appropriation by \$13,530,161 in general funds. The Senate Draft appropriates \$215,692,913 in all funds, inclusive of \$120,253,035 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	General Funds	All Funds	General Funds
Executive Request (Including Governor’s Messages #1, #2, and #3)	\$0	\$0	\$507,994,609	\$327,266,102
Senate Draft Change To Executive Request	(\$13,530,161)	(\$13,530,161)	(\$292,301,696)	(\$207,013,067)

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	General Funds	All Funds	General Funds
Executive Budget Act 119, SLH 2015	\$12,874,418,668	\$6,584,744,854	\$13,296,497,506	\$6,834,254,853
Net Change Of Senate Draft	(\$13,530,161)	(\$13,530,161)	\$215,692,913	\$120,253,035
Total Appropriation	\$12,860,888,507	\$6,571,214,693	\$13,512,190,419	\$6,954,507,888

PART II. ECONOMY

Economic indicators remain largely positive, and the State of Hawaii is projected to experience continued stable economic growth. More specifically:

- (1) The University of Hawaii Economic Research Organization (UHERO) projects that the real gross domestic product will grow by 3.2 per cent in 2016, 2.1 per cent in 2017, and 1.6 per cent in 2018. The unemployment rate is projected to be 3.0 per cent in 2016, 2.8 per cent in 2017, and 2.9 per cent in 2018;
- (2) The Department of Business, Economic Development, and Tourism projects that the real gross domestic product will grow by 2.3 per cent in 2016, 2.4 per cent in 2017, and 2.4 per cent in 2018. The civilian unemployment rate is projected to be 3.5 per cent in 2016, 3.3 per cent in 2017, and 3.1 per cent in 2018; and
- (3) The Federal Reserve, which is tasked with setting the United States’ monetary policy, raised the interest rate by a quarter of one per cent in late 2015. While the move was widely expected, the hike confirmed that the United States economy has indeed recovered over the last seven years and is no longer in need of artificially low interest rates.

Janet Yellen, Chair of the Federal Reserve Board, emphasized that any future increase to the interest rate would be gradual and methodical, which exemplifies the financially prudent approach the Federal Reserve has taken so far.

However, in early 2016, the Dow Jones Industrial average plummeted. This plunge was accompanied by the depreciation of the Chinese Yuan to its lowest valuation in five years. Other foreign currencies have been waning as well, especially in comparison to the United States Dollar (USD).

This market volatility could eventually have a negative impact on the State’s vital tourism industry, although the State has yet to see any indication of a substantial economic downturn.

United States visitor arrivals are predicted to increase by 1.5 per cent in 2016, down from a growth rate of 4.3 per cent in 2015. Japanese visitor arrivals and “other visitor arrivals” are expected to see a -0.5 per cent growth rate and 2.1 per cent growth rate, respectively. While both are down from the previous year, the percentage change in overall visitor arrivals has a positive trending growth rate of 1.3 per cent in 2016.

PART III. GENERAL FUND REVENUES

Improved economic conditions have resulted in increased tax revenues, including those to the general fund, which is a primary source of funding for the State.

On March 10, 2016, the Council on Revenues took a more cautious approach to its general fund tax revenue projection compared to its previous forecast on January 7, 2016. The Council lowered the growth rate from 5.5 per cent to 5.0 per cent for fiscal years 2016-2017 and 2017-2018, and maintained its forecasted growth rate of 5.0 per cent for fiscal year 2018-2019.

COUNCIL ON REVENUES – DIFFERENCE IN GENERAL FUND TAX REVENUES BETWEEN FORECASTS OF MARCH 10 AND JANUARY 7, 2016 (In \$Millions)				
	Fiscal Year 2015-2016	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019
COR 03/10/16	6.7% \$6,119.3	5.0% \$6,425.3	5.0% \$6,746.6	5.0% \$7,083.9
COR 01/07/16	6.7% \$6,119.3	5.5% \$6,455.9	5.5% \$6,811.0	5.0% \$7,151.5
Difference	\$0	- \$30.6	- \$64.4	- \$67.6

PART IV. COMMITTEE’S CONCEPTUAL FRAMEWORK

While overall economic growth is positive, your Committee remains mindful of the Council on Revenues’ lowered growth projection. Moreover, your Committee understands that economies fluctuate and thus believes that limitless expansion premised on short-term growth is not sustainable. Therefore, your Committee tasked itself with delving into the minute details of the budget, including conceptualizing how agencies and programs could work together to streamline services, provide more reliable program outcome data, maximize other sources of funding, and better utilize their base appropriations. Your Committee is cognizant of the many needs of the community and how these needs can be met through short-term services as well as long-term solutions. To this end, your Committee created a budget that delicately balances multiple priorities, services, and strategic planning objectives for the State of Hawaii.

Your Committee has crafted an executive supplemental budget in accordance with the following conceptual framework:

Long- and Short-term Planning

The needs facing the State range drastically, from preschool subsidies for low-income families to upgrading aging technology. As such, a solid understanding of short- and long-term state planning is required. To this end, your Committee was committed to discerning how needs and services could be encapsulated within a framework of long-term planning, while still meeting the current and everyday needs of our State.

An example to demonstrate the creative thinking that your Committee exercised in devising ways to best meet short- and long-term service goals is the Child Protective Services program of the Department of Human Services. This program is plagued with hard-to-fill, yet much-needed, positions. While the Department judiciously offered to transfer the vacant positions into another area of need, your Committee recognized the essential role of the Child Protective Services program. Rather than approving the transfer of positions out of Child Protective Services, your Committee devised a way for the Department to address the shortage of qualified social workers through a collaboration with the University of Hawaii, as well as provide additional positions to meet other departmental needs.

Specifically, your Committee dedicated general fund vacancy savings towards providing the state funds needed to receive matching federal funds for the Hawaii Child Welfare Education Collaboration project, which provides students with the training needed to become qualified social workers. With conceptual and long-term planning in mind, it is intended that these trained social workers can transition into filling the hard-to-fill vacancies in Child Protective Services. This example not only demonstrates how your Committee adhered to long-term program and department visions, but also how it proposed a way to leverage federal funding.

Utilizing Cost Savings

Your Committee believes in using available resources before allocating additional funds, when possible. To this end, your Committee has redirected cost savings in excess of \$40,000,000 to fund economic development, information technology (IT), affordable housing, and other costs. Savings were primarily derived from two sources: debt-service, health premiums, and pension payments coming in at lower than budgeted amounts, and contract savings that agencies and departments have incurred.

Your Committee inquired into every instance of possible savings from departments, and advocated fiscal constraint by mandating that existing savings be used to fund new priorities. Rather than merely adding to state department budgets, your Committee made strides in first identifying existing resources that could be used to fund programs, services, and other expenses.

Rebuilding and Connecting Resources

Your Committee understands that departments faced severe reductions during the Great Recession. Many programs and departments are slowly rebuilding their personnel and administrative resources. Consequently, your Committee identified those requests that will provide greater administrative capacity to departments so that programs can run more efficiently.

Legislative Priorities

Your Committee continues to fund legislative priorities that were not included in the Governor’s budget proposal. It is your Committee’s belief that legislators have a strong awareness of communities and their needs, and as such, your Committee believes in the role of legislators as advocates for resources to meet those needs.

Affordable Housing and Homelessness

Affordable housing continues to be an issue in Hawaii. Along with a shortage of affordable housing, there has been an increase in the number of homeless individuals and families. These issues are prevalent statewide, on all of our islands. Many families have fallen into homelessness, and programs such as rapid re-housing provide the short-term subsidies they need. As homelessness is a

complex issue, the response required must be equally multifaceted. This budget provides an array of funding and services to meet a range of needs regarding homelessness and affordable housing. Your Committee believes this budget tackles these issues methodically and compassionately, while providing resources and support across the spectrum.

PART V. OPERATING BUDGET

Accounting and General Services

The Senate Draft of the executive budget adjusts the Department of Accounting and General Services' appropriation for fiscal year 2016-2017 by adding \$2,599,043 in general funds and \$1,568,859 in non-general funds.

The Administration's request was to add \$5,504,894 in general funds and \$1,568,859 in non-general funds for fiscal year 2016-2017.

Your Committee recognizes the Department's role in overseeing and managing a range of services for the State, including payroll. The Department's current payroll system was developed in-house more than forty years ago and is a paper-driven system with no on-line access. Additionally, there is no time and attendance system for the Department. In order to provide essential infrastructure and support for this department to meet its most basic functions, your Committee has approved 8.00 positions and \$319,190 in general funds for implementation of a centralized system to accurately account for employee attendance and remuneration.

Your Committee has also provided other necessary personnel and capacity needs for the Department, including 4.00 positions and \$538,259 in general funds for custodial services and utility costs for the re-occupancy of the Kamamalu Building. This building will house several state offices, thereby reducing rent to occupy private lease spaces and achieving savings for the State.

Your Committee acknowledges the need for an updated and modernized 911 call center on the island of Maui to locate callers in a timely manner and provide vital information to emergency first responders in order to save lives and protect property. Therefore, your Committee has approved \$1,200,000 in special funds for the Maui Police Department 911 Call Center to undergo system enhancements in the interest of public safety.

Office of Enterprise Technology Services

Your Committee understands that the Office of Enterprise Technology Services (OETS) faces an enormous task in streamlining and updating aging information technology infrastructure statewide. While your Committee appreciates and supports the overall mission of OETS, your Committee is concerned with OETS' approach in negotiating contract terms and multi-year agreements, as well as OETS' ability to coordinate implementation and training efforts with state departments. While aware of the many benefits of advanced technology, your Committee believes that technology is only useful when it is properly utilized, supported, and reflects the capabilities and needs of various personnel. It is your Committee's hope that OETS can truly serve as a support service and training center for departmental information technology staff to learn how to use emerging technology and provide support for their departments' specific information technology needs.

Your Committee believes in the importance of adequate cyber security as attacks have not only become more complicated in recent years, but have continued to target government agencies. Therefore, your Committee has approved 4.00 positions and \$160,104 in general funds for the Office of Enterprise Technology Services for cyber-attack prevention statewide. In addition to these positions, your Committee has also approved other much-needed information technology positions and streamlining the acquisition of Microsoft Office 365 software across all state departments and agencies. Your Committee recognizes the contract savings that OETS can incur through the recruitment of in-house information technology staff and, therefore, encourages OETS to use these savings to fund necessary and beneficial software upgrades and improvements for the State.

Agriculture

The Senate Draft of the executive budget adjusts the Department of Agriculture's appropriation for fiscal year 2016-2017 by adding \$527,618 in general funds and \$726,900 in non-general funds.

The Administration's request was to add \$85,118 in general funds and \$476,345 in non-general funds for fiscal year 2016-2017.

Following suggestions from a report by the Joint-Fact Finding Study Group on Kauai, your Committee has provided \$500,000 in general funds to address concerns related to pesticide use. These funds will be used to increase pesticide regulations to strengthen environmental, agricultural, and health data collection and to establish new standards for chronic, low-level exposure to pesticides.

Your Committee has also approved 1.00 position and \$98,800 in special funds for a Farm to School Coordinator. This supports the continuation of a pilot project to shift the consumption of agricultural commodities in the State's schools towards locally sourced products, in order to promote statewide sustainability.

Your Committee understands the acreage of agricultural land under the purview of the Agribusiness Development Corporation has increased, and therefore has provided 1.00 asset manager and \$57,000 in revolving funds to manage the additional land for the promotion of diversified agriculture in Hawaii.

Lastly, your Committee views the Livestock Disease Control Branch as crucial in preventing, controlling, and eradicating any animal disease that has the potential to harm the State's livestock and poultry industries. For this reason, your Committee approves the conversion of 8.00 livestock disease control positions from temporary to permanent.

Attorney General

The Senate Draft of the executive budget adjusts the Department of the Attorney General's appropriation for fiscal year 2016-2017 by adding \$1,792,938 in general funds and \$11,594,639 in non-general funds.

The Administration's request was to add \$2,128,300 in general funds and \$11,637,882 in non-general funds for fiscal year 2016-2017.

Despite the importance of their work, deputy attorneys general employed by the Department of the Attorney General earn much lower salaries than public defenders and prosecutors employed by the counties. This has resulted in comparatively high turnover rates in these positions, and the Department has lost several excellent deputy attorneys general to county and private work. Your Committee therefore has approved \$1,063,000 in general funds, \$83,000 in special funds, \$105,000 in federal funds, and \$689,000 in interdepartmental funds for deputy attorneys general salary increases. This salary increase will allow deputy attorneys general to be paid salaries more comparable to those of public defenders and county prosecutors, making the Department better able to recruit and retain attorneys to serve the State.

Sexual assault is a serious issue and your Committee believes that services to aid sexual assault survivors are important. To this end, your Committee has approved \$220,000 in general funds for statewide sexual assault services. These funds will be used to better support the Sex Abuse Treatment Center, the Child and Family Service in Maui, YWCA support services on the Big Island, and YWCA support services on Kauai.

Budget and Finance

The Senate Draft of the executive budget adjusts the Department of Budget and Finance's appropriation for fiscal year 2016-2017 by reducing \$33,960,077 in general funds and adding \$11,494,559 in non-general funds.

The Administration's request was to add \$130,084,811 in general funds and \$11,494,559 in non-general funds for fiscal year 2016-2017.

Your Committee is intimately familiar with how outdated the Department of Budget and Finance's budget software is, as well as the Department's ability to transmit vast amounts of data or comply with reporting requirements mandated by the Legislature. As such, your Committee has approved \$600,000 in general funds to implement a new budget reporting system in order to comply with statutory requirements included in Act 160, Session Law of Hawaii 2015.

Your Committee is also aware of the drastic reduction imposed upon the Department's budget office during the 2009-2010 reduction-in-force. As budgeting is an essential function of any well-run government and is a necessary component of rebuilding effective programs across all agencies, your Committee has provided 2.00 program budget analysts and \$60,716 in general funds for the Department's Budget, Program Planning, and Management Division.

Business, Economic Development, and Tourism

The Senate Draft of the executive budget adjusts the Department of Business, Economic Development, and Tourism's appropriation for fiscal year 2016-2017 by adding \$5,685,749 in general funds and reducing \$9,889,958 in non-general funds.

The Administration's request was to add \$6,134,165 in general funds and \$35,331,555 in non-general funds for fiscal year 2016-2017.

Your Committee understands that economic development plays a vital role in elevating people out of poverty, providing jobs that pay well, and diversifying and building a globally competitive state economy. As such, your Committee has provided \$5,000,000 in general funds to fund the HI GROWTH Initiative to support entrepreneurial efforts and economic development statewide. This infusion represents a sustained commitment to support more public-private partnerships that will continue to build the critical mass and scale needed for a vibrant, innovative cluster of businesses to become firmly established in Hawaii.

Your Committee has also approved \$150,000 in general funds for the development of the Pan Pacific Unmanned Aerial Systems (UAS) Test Range -- one of six national test ranges for testing and validating UAS technologies. The Hawaii Test Range will provide range services for a fee to government and commercial clients, bringing new revenue streams into Hawaii. The Hawaii Test Range will also provide high quality jobs for local residents while enabling diverse educational opportunities for Hawaii's students involved in STEM and robotics programs.

Your Committee has approved 1.00 temporary position and \$100,000 in general funds for the Hawaii Broadband Initiative, which through a public-private partnership will plan for the deployment of a broadband network resulting in increased broadband capacity. Broadband facilitates the rapid access of information in many different forms, accelerates business development, and provides new opportunities for innovation, expansion, and e-commerce.

Commerce and Consumer Affairs

The Senate Draft of the executive budget adjusts the Department of Commerce and Consumer Affairs' appropriation for fiscal year 2016-2017 by adding \$1,504,991 in non-general funds.

The Administration's request was to add \$1,669,991 in non-general funds for fiscal year 2016-2017.

Your Committee has approved \$500,000 in special funds for a new Financial Institutions Management Systems (FIMS) application. The current FIMS data system only holds information concerning banks and does not hold information on new licensees or allow administrators to practice data mining, which is integral to analyzing the data properly. The current system is also unable to interface with the national multi-state application, which is the key source of obtaining information on all other licensees besides banks.

While your Committee appreciates the services the Department provides to the community, your Committee expresses concern over the departmental administrative assessment charged to each of its divisions. It has come to your Committee's attention that, using the current administrative assessment formula, the amount charged to the Public Utilities Commission would be over \$1,000,000 in fiscal year 2016-2017. This is over three times the amount that the Department of Budget and Finance charged the Public Utilities Commission for its administrative assessment in prior years. Your Committee hopes that the Department will reevaluate its administrative charges to ensure that divisions are charged on an equitable basis in accordance with the level of administrative support they require. Your Committee has approved \$304,889 in special funds for the Public Utilities Commission's administrative expense with immense caution. The funding for this request has been made non-recurring after fiscal year 2016-2017 to allow the Department

to reevaluate its administrative assessment practices and the impact of the assessments on its divisions and, ultimately, on the consumers.

Defense

The Senate Draft of the executive budget adjusts the Department of Defense's appropriation for fiscal year 2016-2017 by adding \$4,151,704 in general funds and reducing \$1,183,171 in non-general funds.

The Administration's request was to add \$3,610,068 in general funds and to reduce \$1,183,171 in non-general funds for fiscal year 2016-2017.

In support of the Department of Defense's efforts to assist in the rebuilding of communities that have been destroyed by major disasters, your Committee has provided 10.00 temporary positions and \$437,740 in general funds. These positions will respond to new disasters as they arise.

Your Committee understands the importance of keeping the Department's facilities maintained and functioning and has approved \$669,000 in general funds for repair and maintenance of state buildings.

Your Committee has also approved \$549,592 in general funds and \$1,649,806 in other federal funds for electricity costs. These funds will help to fund the electricity shortfall due to the addition of new facilities.

Your Committee recognizes the need for a multi-skilled burial team at the Hawaii State Veterans' Cemetery and therefore has provided 7.00 positions and \$502,036 in general funds. These funds will also be used to purchase equipment necessary to perform burial services.

Education

The Senate Draft of the executive budget adjusts the Department of Education's appropriation for fiscal year 2016-2017 by adding \$43,715,795 in general funds and reducing \$12,782,947 in non-general funds.

The Administration's request was to add \$45,586,668 in general funds and \$500,000 in non-general funds for fiscal year 2016-2017.

Regular Education

Your Committee is committed to and investing in our keiki and to providing support so that all keiki have the means to succeed in the public school system. Aware of the needs of students who struggle with English proficiency, your Committee has approved \$10,000,000 in general funds for English Language Learner (ELL) program support. These funds will be directed specifically towards ELL students so that they can succeed in the classroom.

Your Committee has also approved \$16,537,791 in general funds for the Weighted Student Formula (WSF) to address the adequacy of funding for Hawaii state public schools. This 2 per cent increase in the WSF will provide schools with a greater capacity to support student achievement.

Your Committee has approved \$6,984,689 in general funds for school transportation services for eligible regular education and special education public school students. The Department of Education has worked to reduce costs for school transportation while ensuring that all students who require these services have them available.

Your Committee has approved \$5,215,919 in general funds to account for the projected shortfall in the Department's utilities budget. This amount reflects a revised projection of costs provided to the Committee after the submittal of the Governor's proposed budget.

Libraries

The Senate Draft of the executive budget adjusts the Hawaii State Libraries' appropriation for fiscal year 2016-2017 by adding \$937,567 in general funds and \$250,000 in non-general funds.

The Administration's request was to add \$771,454 in general funds and \$500,000 in non-general funds for fiscal year 2016-2017.

Your Committee believes in the mission and purpose of the state libraries, and recognizes their ability to reach all segments of the population and encourage educational growth and learning. Your Committee is also aware of the steady increase in prices for books and materials and the rising demand for electronic books. Therefore, your Committee has approved \$250,000 in general funds and \$250,000 in special funds for the purchase of additional materials for the library system statewide.

With the opening of the new Nanakuli Public Library, your Committee has approved 6.5 positions and \$116,840 in general funds. The new state-of-the-art library is under construction and due to open in March 2017. The additional positions and funds will fully staff the library, so that all special services, including business development and cultural programming, are available to the community.

Charter Schools

The Senate Draft of the executive budget adjusts the appropriation for charter schools for fiscal year 2016-2017 by reducing \$2,166,500 in general funds.

The Administration's request was to reduce \$2,610,602 in general funds for fiscal year 2016-2017.

In last year's budget, your Committee provided funds for the incentives provided for hard-to-fill teaching positions across traditional Department of Education schools and charter schools. However, your Committee is aware of the funding mechanisms that may make it difficult for charter schools to receive their share of support for the incentives. Therefore, your Committee has approved \$783,000 in general funds for the Hard-to-Fill Incentive in charter schools, separate and apart from their per-pupil funding. This bonus will help attract more teachers and provide a more competitive teaching salary.

Early Learning

The Senate Draft of the executive budget adjusts the Early Learning program appropriation for fiscal year 2016-2017 by adding \$117,854 in general funds.

The Administration's request was to add \$98,108 in general funds for fiscal year 2016-2017.

Your Committee greatly appreciates the work that the Executive Office on Early Learning has done in improving the pre-kindergarten program. Your Committee is also aware of the extreme understaffing in the Office and thus has approved 2.00 positions and \$76,854 in general funds. Currently, the Executive Office on Early Learning contains only one staff member, the Executive Director. The additional positions will allow the Director to focus on the long-term objectives of the Office and receive much-needed staff support.

Governor

The Senate Draft of the executive budget adjusts the Office of the Governor's appropriation for fiscal year 2016-2017 by adding \$300,000 in general funds and reducing \$311,348 in non-general funds.

The Administration's request was to add \$578,974 in general funds and reduce \$311,348 in non-general funds for fiscal year 2016-2017.

The Office of the Governor has frequent and important interactions with the military sector and the federal government. Your Committee has therefore approved 2.00 temporary positions and \$300,000 in general funds for the Office of Military Affairs and Federal Grants Maximization. This will provide funding to maintain the Military Liaison and Executive Director Federal Grants Maximization positions. These positions will work on coordinating federal efforts, including the receipt and progress of federal funding awards.

Hawaiian Home Lands

The Senate Draft of the executive budget adjusts the Department of Hawaiian Home Lands appropriation for fiscal year 2016-2017 by adding \$8,192,157 in general funds and reducing \$23,074,359 in non-general funds.

The Administration's request was to add \$8,192,157 in general funds and reduce \$23,036,859 in non-general funds for fiscal year 2016-2017.

Your Committee understands and recognizes the importance of the Department of Hawaiian Home Lands and its core mission of serving its beneficiaries. For further consideration in conference on the budget, your Committee has included the amounts requested in the Governor's Message dated April 4, 2016. These amounts add \$7,512,374 for fiscal year 2015-2016 and \$8,192,157 for fiscal year 2016-2017 in general funds.

Given the substantial amount being considered, which will greatly increase base funding for the Department, and in view of the need to apply the appropriate allocation method for these funds to ensure transparency and provide budgetary stability going forward, your Committee finds that this measure is the most appropriate vehicle this session to consider increases to the Department of Hawaiian Home Lands' supplemental budget.

While much discussion surrounding the Department's budget has centered on vacant and new positions, inflationary adjustments, and total dollar amounts, it is your Committee's strong belief that the State must not lose focus on what is most important: serving the Department's beneficiaries, tackling the Hawaiian homestead waiting list, and ensuring that resources are focused on getting people into homes and onto the land.

Your Committee also notes that the general fund amounts listed above for the Department of Hawaiian Home Lands do not include the additional general fund support that will be required of the Department of Budget and Finance in order to provide fringe benefit funding for the Department of Hawaiian Home Lands general-funded employees. These amounts are centrally budgeted by the Department of Budget and Finance, and are estimated to be approximately \$5,000,000 in general funds annually.

Health

The Senate Draft of the executive budget adjusts the Department of Health's appropriation for fiscal year 2016-2017 by adding \$55,675,232 in general funds and \$4,471,378 in non-general funds.

The Administration's request was to add \$53,722,386 in general funds and \$4,413,670 in non-general funds for fiscal year 2016-2017.

Hawaii State Hospital

Your Committee is very familiar with the needs of the Hawaii State Hospital, including the transfer of funds from other programs in the current fiscal year to pay for the Hospital's recurring deficit. Increases in patient census, increased acuity of patients, and the inability to fill vacant positions in a timely fashion have resulted in higher costs that exceed the Hospital's current operating budget. Thus, your Committee has approved \$4,728,446 in general funds to cover projected fiscal deficits at the Hawaii State Hospital.

In view of the Hospital's financial challenges, your Committee feels it is essential for the Department to implement tighter fiscal controls on the Hospital in an effort to gain a better perspective of the true costs associated with running the facility, and developing a realistic budget going forward that does not deprive community-based mental health resources and other important program areas.

Aging and Disability

Your Committee has approved \$3,000,000 in general funds to increase the overall base budget for Kupuna Care. Additional funds will support more kupuna, allowing them to lead independent, meaningful, and dignified lives, through a continuum of home and community-based efforts.

Your Committee has approved \$2,829,923 in general funds to meet the state match for the Medicaid Intellectual and Developmental Disabilities Home and Community Based Services Waiver to address the cost of services. New regulations require states to maximize the opportunities for the program participants to have access to the benefits of community living, receive services in the most integrated settings, and effectuate the law's intention for alternatives to services rendered in institutions.

Environmental Health

Your Committee has also approved 33.00 positions and \$1,777,362 in general funds to improve vector control capacity and capability to combat the Dengue fever outbreak and to provide adequate resources to more effectively manage newly emerging public health threats, such as the zika virus.

Hawaii Health Systems Corporation

The Senate Draft of the executive budget adjusts the Hawaii Health System's appropriation for fiscal year 2016-2017 by adding \$38,900,000 in general funds.

The Administration's request was to add \$31,000,000 in general funds for fiscal year 2016-2017.

Your Committee has approved \$21,000,000 in general funds to provide the necessary operating subsidy to address a budget deficit due to rising healthcare costs.

In view of the transfer of the Corporation's Maui regional facilities to the Kaiser Foundation, your Committee has approved \$10,000,000 in general funds to provide additional operating moneys for the remaining regions of the Corporation, as well as any necessary working capital for the Maui Health System, a Kaiser Foundation Hospital, that is needed after the Maui region's assets have been exhausted at the end of fiscal year 2015-2016. Your Committee has included a provision authorizing the Corporation's Board of Directors to determine the amount required by the hospitals, including the Maui Health System, a Kaiser Foundation Hospital.

Your Committee has been carefully following the Maui Region Hospitals merger with the Kaiser Foundation, and is aware of the increased corporate cost allocation that will be assessed to the other regions once the Maui Region Hospitals depart from the Hawaii Health Systems Corporation. The additional funds expected from the remaining regions to cover the corporate allocation that was previously assessed to Maui Region Hospitals is drastic, ranging from an additional \$800,000 to \$4,000,000 each. As such, your Committee has approved \$7,900,000 in general funds to address the budget shortfall in the allocation of corporate costs due to the exit of the Maui Region Hospitals from the Hawaii Health Systems Corporation. It is your Committee's intention that the corporate office reassess its allocation fees, in order to ease the undue financial burden that has been placed on the other regions due to the Maui region's merger with the Kaiser Foundation.

Human Resources

The Senate Draft of the executive budget adjusts the Department of Human Resources Development's appropriation for fiscal year 2016-2017 by adding \$280,012 in general funds.

The Administration's request was to add \$553,262 in general funds for fiscal year 2016-2017.

Your Committee has approved \$250,000 for workers' compensation claims. Your Committee recognizes the importance of fulfilling the State of Hawaii's responsibility of paying workers' compensation in a timely manner to avoid exorbitant fines and other costs in the future.

Human Services

The Senate Draft of the executive budget adjusts the Department of Human Services' appropriation for fiscal year 2016-2017 by adding \$22,423,231 in general funds and \$78,891,559 in non-general funds.

The Administration's request was to add \$56,488,864 in general funds and \$80,098,991 in non-general funds for fiscal year 2016-2017.

Your Committee values the safety net services provided to the community by the Department. As homelessness is increasingly prevalent statewide, your Committee made a concerted effort to provide a multi-pronged approach to providing funds for homeless services. To this end, your Committee has approved \$3,000,000 in general funds to continue the Housing First Program. This will continue funding for Housing First and is expected to provide transitional housing support and stability services to chronically homeless individuals throughout the State. Of this appropriation, \$1,500,000 will be used to establish and maintain a Housing First program on the neighbor islands, as your Committee recognizes that homelessness is a statewide issue that needs to be addressed on all islands.

Your Committee has also approved \$2,000,000 in general funds to fund a Rapid-Rehousing program for the State. This program is intended for individuals and families who need small and finite rental subsidies. This will allow clients more stability and help transition them into affordable housing. Your Committee has also provided 2.00 positions and \$108,626 in general funds for homeless services to increase the Department's capacity to monitor contracts and program outcomes. These positions will help administer the additional funding for programs and ensure that successful outcomes can be achieved.

Your Committee believes that early childhood education is important and should be accessible to all families, regardless of their income. As such, your Committee has provided \$6,000,000 in general funds for the Preschool Open Doors Program. This program gives low-income families with young children educational subsidies to enable their children to attend preschool.

One of the core functions of the Department is to provide medically-necessary services for Medicaid recipients. Your Committee understands the importance of providing these services and strongly supports their continuation. The Department of Human Services has identified existing funds within the Medicaid base budget to fully support these programs. Additionally, your Committee was able to work with the Department to identify savings of \$15,000,000 in fiscal year 2015-2016 and \$29,219,343 in fiscal year 2016-2017 in general funds.

The Med-QUEST division is to be commended on their sincere efforts to heed your Committee's challenge to look within their base appropriation to fund new and existing programs and services. Thanks to their hard work, your Committee has been able to do more with existing resources and ensure sustained services over time.

Your Committee also recognizes that aging information technology infrastructure is especially present in the Department of Human Services, and outdated systems are deterring the Department's ability to receive additional federal funds and serve more people in the community. Your Committee has approved \$3,196,346 in general funds for the Department to fund its information technology priorities. In addition, your Committee has also approved \$5,905,962 in general funds for the maintenance and operation of the Kauhale On-line Eligibility Assistance System Platform in order to continue to provide healthcare eligibility services.

Your Committee identified \$1,000,000 of general fund savings in the Hawaii Youth Correctional Facility budget due to low population counts in the facility. Your Committee redirected these savings to other areas within the Department, in order to serve additional needs in the community in a financially responsible manner.

Labor and Industrial Relations

The Senate Draft of the executive budget adjusts the Department of Labor's appropriation for fiscal year 2016-2017 by adding \$648,631 in general funds and \$3,088,105 in non-general funds.

The Administration's request was to add \$954,876 in general funds and \$2,588,105 in non-general funds for fiscal year 2016-2017.

Your Committee has approved \$572,857 in general funds for a one-time appropriation to fulfill the State's obligation under the Community Services Block Grant program, which supports broad-based anti-poverty programs. The appropriation will provide services to increase economic self-sufficiency for disadvantaged communities across the State.

Your Committee has approved 1.00 position and \$25,388 in general funds for the Hawaii Civil Rights Commission. Your Committee recognizes the importance of strengthening investigations of discrimination complaints and believes that an additional investigator position will address concerns over the timeliness of investigations and the size of investigation caseloads.

Your Committee approves 1.00 position and \$25,386 in general funds for the Disability Compensation Program 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 backlog in plans review and restore critical support to the program.

Your Committee has approved \$25,000 in general funds to improve the Department's provision of services to Limited English Proficiency persons. The appropriation will provide for translations of vital documents, interpretative services to bolster service levels for Limited English Proficiency persons, development of training for staff, and resources to achieve compliance with federal requirements for website accessibility.

Your Committee has also approved \$5,000 in general funds for the Human Trafficking Victim Services Fund to supplement programs, grants, and purchase of service contracts that support or provide comprehensive services to victims of labor trafficking crimes.

Land and Natural Resources

The Senate Draft of the executive budget adjusts the Department of Land and Natural Resources' appropriation for fiscal year 2016-2017 by adding \$3,769,364 in general funds and \$12,353,685 in non-general funds.

The Administration's request was to add \$6,186,866 in general funds and \$16,378,876 in non-general funds for fiscal year 2016-2017.

Your Committee recognizes the need for pristine waters for both residents and visitors alike and the importance of protecting the ocean water habitat and keeping Hawaii's waters safe and enjoyable for all users. Therefore, your Committee has provided \$250,000 in general funds for the removal of marine debris from state waters and shorelines.

Your Committee acknowledges the need for small boat harbors across the State to offer services on weekends. Therefore, your Committee has provided 18.00 positions and \$617,544 in general funds for the operation of small boat harbors for at least six days a week.

Your Committee has approved 6.00 positions and \$219,420 in general funds and \$300,000 in special funds to better identify, protect, and properly maintain historic properties, as well as strengthen the infrastructure for historic preservation in Hawaii.

Your Committee recognizes the Department's efforts to accommodate the increase in visitors to Hawaii's parks across the State and has provided \$1,000,000 in special funds for the State Parks Division's operational and maintenance costs.

Your Committee has approved \$1,500,000 in general funds for Phase II of a stream study in partnership with the United States Geological Survey to collect data on low-flow characteristics of Hawaii streams in support of setting in-stream flow standards and assessing water availability for municipal, agricultural, and other uses. Your Committee believes that this stream study is critically needed, as no current base level data exists for the State.

Your Committee has approved \$1,500,000 in special funds for the Office of Conservation and Coastal Lands to cover services needed to manage beach restoration projects, process applications for beach nourishment projects, and deal with beach management issues statewide including erosion, restoration, and protection of Hawaii's state-controlled beaches.

Your Committee has also approved \$500,000 in special funds for the Division of Forestry and Wildlife for private landowner forestry partnerships and forest reserve operations in a collaborative effort to protect Hawaii's watersheds.

Lieutenant Governor

The Senate Draft of the executive budget adjusts the Office of the Lieutenant Governor's appropriation for fiscal year 2016-2017 by reducing \$575,984 in non-general funds.

The Administration's request was to reduce \$572,484 in general funds for fiscal year 2016-2017.

In the past, the Office of Information Practices operated under the jurisdiction of the Lieutenant Governor's Office. Your Committee has approved transferring 6.00 positions, 2.5 temporary positions, and \$575,984 in general funds from the Office of Information Practices to the Enforcement of Information Practices program within the Department of Accounting and General Services. This transfer of the entire Office of Information Practices to the Department of Accounting and General Services will allow this Office to become a permanent agency of the State.

Public Safety

The Senate Draft of the executive budget adjusts the Department of Public Safety's appropriation for fiscal year 2016-2017 by adding \$1,898,140 in general funds and \$300,000 in non-general funds.

The Administration's request was to add \$6,120,295 in general funds and \$300,000 in non-general funds for fiscal year 2016-2017.

As part of the rehabilitation of incarcerated felons, the Department of Public Safety provides different types of furlough programs for inmates to gain work experience in the months leading up to their release. Recently, the Department discontinued its community workforce program in favor of a new program that uses electronic monitoring to track inmates working at various job sites. Your Committee therefore has approved transferring 3.00 temporary positions and \$130,212 in general funds from Oahu Community Correctional Center to the Waiawa Correctional Facility and Hawaii Community Correctional Center.

Your Committee has also approved 2.00 positions and \$54,986 in general funds for the electronic monitoring furlough program at the Oahu Community Correctional Center. These new Social Services Assistants IV and their equipment will be used to better track inmates that are allowed to participate in the expanding electronic monitoring furlough program.

In 2014, the Intermediate Court of Appeals ruled in the case of Slingluff v. Hawaii that physicians employed by the Corrections Division do not have automatic immunity in incidents of malpractice. As a result of this new threat of lawsuits, several physicians employed at correctional facilities have left their current positions and it has become difficult to fill these positions, making ineffective health care within our penal system a chilling possibility. To help solve this problem, your Committee has approved \$162,354 in general funds for physician salary increases. This appropriation will make it easier to fill and retain positions in the Health Care Division.

Your Committee has also approved \$284,228 in general funds for malpractice insurance. This will allow the Department to ensure that physicians have necessary insurance in light of the decision in Slingluff v. Hawaii. By addressing the issue of medical malpractice liability, your Committee hopes to better retain physicians in the Health Care Division.

Currently, the administrative offices for the Department are located in the Army and Air Force Exchange Service Building. As per recent legal arrangements, the building is now owned and operated by the Office of Hawaiian Affairs, which is now requesting that the Department pay rent for using the building's facilities. The Department is hoping to find a new building to house its administrative offices but does not expect to find a suitable space for several months. Your Committee has approved \$869,165 in general funds for lease rent for the Department of Public Safety Administration building and State Narcotics Enforcement Division offices.

Taxation

The Senate Draft of the executive budget adjusts the Department of Taxation's appropriation for fiscal year 2016-2017 by reducing \$790,159 in general funds.

The Administration's request was to reduce \$528,223 in general funds for fiscal year 2016-2017.

Your Committee recognizes the growing trend of tax fraud in the Internet age and the need for dedicated state resources to identify and prevent fraudulent tax refund claims from being issued. Therefore, your Committee has approved 15.00 positions and \$637,841 in general funds for a new Investigation Branch. The Investigation Branch will provide the Department with the staffing and technical resources to gather information and conduct criminal investigations, thereby enhancing the coordination of civil and criminal investigations conducted by the various sections within the Department of Taxation.

Your Committee also has approved the transfer of 12.00 positions and \$664,668 in general funds from the Director's Office to the Information Technology Services Office for system administration. This transfer will allow user requests to be appropriately evaluated and addressed through a streamlined intake system and provide cross-training in old and new systems to ensure all existing employees acquire the skills and expertise necessary to continue servicing the needs of the public.

Your Committee recognizes the importance of taxpayer services within the Tax Services and Processing Division and the important role of sufficiently addressing the flood of taxpayer inquiries. Therefore, your Committee has approved the conversion of 18.00 positions from temporary to permanent. The conversions will increase employment retention and alleviate the positions from repeated vacancies, facilitating the retention of a sufficient number of educated staff to address client demands.

Transportation

The Senate Draft of the executive budget adjusts the Department of Transportation's appropriation for fiscal year 2016-2017 by adding \$15,936,986 in non-general funds.

The Administration's request was to add \$29,344,294 in non-general funds for fiscal year 2016-2017.

Airports

In order to address repair and maintenance needs for the facilities at Kalaeloa Airport and Dillingham Airfield, your Committee has approved 1.00 position and \$31,797 in special funds to establish a Repairs and Maintenance Assistant for General Aviation. This

position will help in bringing about administrative structure to these facilities and ensuring that repairs are conducted properly and promptly. To further support Kalaeloa Airport and Dillingham Airfield, your Committee has further approved \$496,500 in special funds for additional equipment and personal services. Together, these new positions and additional funds will help Kalaeloa Airport and Dillingham Airfield keep up with repairs and ensure that there are no major setbacks.

The current bucket modular seating at Hilo International Airport's gate area is forty years old, considered to be insufficient for the number of passengers that use the airport, and in a state of constant disrepair. Your Committee therefore has approved \$580,000 in special funds for airport seating replacement at Hilo International Airport.

Compliance with the Federal Aviation Administration (FAA) regulations is paramount if Hawaii's airports are to continue receiving federal funding. In order to pass FAA inspections, several airports are in need of new protective proximity suits for firefighting crews, the cost of which is \$2,500 per suit. Your Committee has approved the use of special funds for the purchase of thirty suits for Kahului Airport (\$75,000), six suits for Kapalua Airport (\$15,000), six suits for Molokai Airport (\$15,000), and eight suits for Lanai Airport (\$20,000).

The FAA also requires that data communication be available for all airport fire stations and administrative buildings. Some airports have managed with cellular Wi-Fi devices, but more permanent and stable solutions are ideal. To serve this need, your Committee has approved \$200,000 in special funds to each of Molokai Airport, Lanai Airport, and Lihue Airport for fiber optic cable installation and network maintenance.

Harbors

Currently, several ports in Hawaii have no waterborne capabilities to enforce Department of Homeland Security protocols or to conduct damage assessments after major disasters. To fix this deficiency, your Committee has allocated \$350,000 in special funds to each of Hilo Harbor, Kawaihae Harbor, Kahului Harbor, and Nawiliwili Harbor for the purchase of a security/safety boat.

Your Committee has also approved \$1,000,000 in special funds for pier and wharf insurance. This appropriation will be used to insure the Harbors Division against earthquake, flood, storm, and terrorism-related damage to its various piers.

Highways

Your Committee has grave concerns about the financial status of the Highways Division. Your Committee is aware of the financial shortfalls and projected deficits of the Division, and has exercised a great deal of caution in approving any additional funding for the highways, except for what was absolutely necessary. It is your Committee's hope that the reduced expenditure level proposed in this budget will facilitate the Division's financial recovery and pave the way for improved cash balance projections.

Currently, the Highways Division on Kauai has only one snooper truck for bridge inspections, and the vehicle is in dire need of repair or replacement. To address this concern, your Committee has approved \$800,000 in special funds to buy a replacement truck. Purchasing this replacement will spare the Highways Division from having to send the current truck for repairs, which is estimated to take over eight months, will cost \$600,000, and is not certain to be beneficial over the long term.

Administration

Recently, the Department of Transportation was sued by Faith in Action for Community Equality (FACE) on the grounds that the Hawaii Driver's Manual is not available in a host of languages other than English, despite the driver's exam for Hawaii being offered in these languages. As part of a settlement with FACE, the Department agreed to reevaluate and modify the Driver's Manual as needed. To help with this effort, your Committee has approved \$300,000 in special funds for multi-lingual translation of the Hawaii Driver's Manual. These funds will be used to purchase translation software that will be able to translate portable document format (PDF) versions of the Driver's Manual, which will then be posted online for free viewing.

University of Hawaii

The Senate Draft of the executive budget adjusts the University of Hawaii's appropriation for fiscal year 2016-2017 by adding \$5,030,720 in general funds and \$500,000 in non-general funds.

The Administration's request was to add \$12,368,302 in general funds for fiscal year 2016-2017.

Your Committee acknowledges the University of Hawaii as a highly important learning center and research institution for the State. Your Committee is aware of the financial situation of the Cancer Center but also recognizes that the Center has brought in additional federal grants and has the potential to become a leading research institute. As such, your Committee has approved \$3,000,000 in general funds for the University of Hawaii Cancer Center. Your Committee is aware that the University's Board of Regents has stressed the importance of funding and maintaining this facility so that it remains a National Cancer Institute-designated cancer center. However, your Committee has concerns about the Center and its funding relationship to the rest of the University of Hawaii System. Your Committee urges the University of Hawaii System carefully evaluate the funding options and financial viability of the Cancer Center, so that the Center can truly become the research facility that it was intended to be. With that said, the \$3,000,000 in general funds for the Cancer Center will be contingent upon \$1,500,000 in matching funds from the University of Hawaii System.

Your Committee has also approved \$1,250,000 in general funds for an equipment fund for the University of Hawaii Community Colleges. Vocational programs often require investments in equipment, such as culinary or automotive equipment, to ensure the programs' continued success. These funds will be used to purchase equipment for vocational programs as well as equipment for scientific laboratories.

Your Committee recognizes the need for agricultural extension services throughout the State. To address the growing need for agricultural assistance to promote agricultural sustainability, your Committee has provided 4.00 positions and \$330,000 for the College of Tropical Agriculture and Human Resources' Cooperative Extension Service.

Your Committee understands the mental health issues that students may face while undergoing academic studies at the University of Hawaii at Manoa. Thus, your Committee has approved 3.00 positions and \$253,116 for mental health services. These positions will provide both direct therapeutic services to students as well as services to assist students in accessing support resources both on and off campus.

Lastly, your Committee is aware of the security needs at the University of Hawaii at Hilo campus and the students' desire to have in-house security personnel to better address student needs. Your Committee has provided 27.00 positions for in-house security at the Hilo campus.

PART VI. CAPITAL IMPROVEMENTS PROGRAM BUDGET

Your Committee finds that capital improvement projects play a vital role in building the State's economy and strengthening our social infrastructure. Your Committee worked diligently to meet the needs of our communities in the areas of housing, education, and agriculture, 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 of the State, your Committee has provided a total of \$639,117,000 for fiscal year 2015-2016 and \$1,353,761,000 for fiscal year 2016-2017 for projects funded by general obligation bonds and \$4,714,284,000 for fiscal biennium 2015-2017 for projects funded by all means of financing. In comparison, the Administration's proposed capital improvement program biennium budget, as amended pursuant to Governor's Messages, provided a total of \$640,617,000 for fiscal year 2015-2016 and \$1,055,149,000 for fiscal year 2016-2017 for projects funded by general obligation bonds and general funds and \$4,123,219,000 for fiscal biennium 2015-2017 for projects funded by all means of financing.

Your Committee crafted a capital improvement program budget that focuses on funding critical and significant capital projects that:

- (1) Provide for growing student populations in both Leeward Oahu and Maui by providing funds to the Department of Education in the amount of \$40,000,000 for a new secondary school in Kapolei and \$38,000,000 for continued construction costs for a new high school in Kihei, Maui;
- (2) Work to address the cooling and air conditioning needs of our public schools by providing \$30,000,000 for the Department of Education;
- (3) Address the shortage of affordable housing in all counties throughout the State. Towards this objective, your Committee has provided \$35,150,000 to the Hawaii Public Housing Authority for renovations of over 850 current units, \$50,000,000 for an infusion to the Rental Housing Revolving Fund for the construction of 400 new units, and \$33,703,000 for an infusion to the Dwelling Unit Revolving Fund. Your Committee worked with every county to determine affordable housing projects that are shovel ready and has provided an additional \$59,612,000 for projects in each county to fund the construction of over 1,272 new rental and affordable housing units statewide;
- (4) Conserve and protect agricultural lands, promote diversified agriculture, and increase agricultural self-sufficiency, as mandated by article XI, section 3 of the Constitution of the State of Hawaii. Towards this mandate, your Committee has provided over \$107,000,000 to purchase 8,000 acres of agricultural land for leases to local farmers to reduce Hawaii's dependence on imported agricultural products, while investing over \$36,000,000 in upgrades and improvements to critical water infrastructure systems statewide;
- (5) Provide \$6,250,000 to the Department of Land and Natural Resources for East Maui water systems for necessary repairs and renovations to the streams and water ways and an additional \$1,500,000 to the Department of Agriculture for the irrigation and water delivery systems for agriculture farmers of East Maui;
- (6) Support the medical needs of our communities by providing \$160,500,000 for a new design-build forensic facility at the Hawaii State Hospital to house high-risk patients and an additional \$40,000,000 for various health and safety needs for health facilities statewide;
- (7) Create a solution to help keep Wahiawa General Hospital open. By providing \$5,000,000 to purchase two parking lot parcels owned by Wahiawa Hospital Association with the option of leasing the parcels back to the Hospital at a nominal rate, your Committee is providing financial assistance to the Hospital while the Wahiawa Hospital Association works on creating a sustainable financial plan for the future;
- (8) Provide a comprehensive plan for transit-oriented development and a plan for mixed-use development to generate revenues for Aloha Stadium. Your Committee finds that certain state lands are ideal for a twenty-first century community that encourages walking and biking and is in close proximity to public transportation. As such, your Committee has provided \$1,500,000 to the Office of Planning to develop a comprehensive plan for transit-oriented development for state lands in close proximity to a rail transit station. In addition, your Committee encourages mixed-use development surrounding the Aloha Stadium to generate revenue to pay for the repairs and improvements to address the health and safety hazards of the stadium; and
- (9) Focus on the creation of jobs in innovation and technology by providing \$8,200,000 to fund the Entrepreneurs Sandbox and Natural Energy Laboratory of Hawaii. Your Committee is also committed to developing a true Second City in West Oahu by expanding the "Live, Work, Play" concept and by investing \$6,000,000 in infrastructure upgrades at Kalaeloa and \$38,800,000 for a Creative Media Facility at the University of Hawaii at West Oahu.

Your Committee understands the limited resources that are afforded to our State and knows that many valuable programs need additional resources to fully support each department's mission. Your Committee encourages the use of public-private partnerships, lease buyback options, and other means of generating revenue to fully fund departmental requests for funding and to make necessary repairs to state facilities.

As such, your Committee has granted the University of Hawaii's full capital improvement request, plus other various projects, for a total of \$334,000,000 in general obligation bonds and revenue bonds, and has granted the University of Hawaii the authority to issue

revenue bonds for these purposes. Your Committee has also enhanced the ability of the various departments to use resources made available to them by providing \$19,700,000 to the Department of Public Safety to work with the Department of Accounting and General Services to enable facility agreements between the State and private investors for the repair and maintenance of our state correctional facilities, where a private investor shall renovate, improve, or construct a facility for the State and may maintain the facility, and lease the facility to the State, pursuant to a building lease.

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 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 has provided funding for various projects within the Department of Defense, Department of Health, Department of Education, Department of Transportation, and the University of Hawaii, among others, to ensure that contributions of matching federal, private, and other funds may be maximized and not lost or forfeited.

Finally, the Senate Draft of the executive biennium budget provides funding for various other capital improvement program projects that your Committee believes should be included at this time, but that may warrant further discussion as the executive supplemental budget is further refined during the remainder of this Regular Session to meet the evolving needs and priorities 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 is in accord with the intent and purpose of H.B. No. 1700, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1700, 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 (Slom).

SCRep. 3576 Transportation and Energy on H.B. No. 2291

The purpose and intent of this measure is to amend the definition of "renewable portfolio standard" to base the calculation on electrical energy generation rather than electrical energy sales.

Your Committee received testimony in support of this measure from the Department of Transportation; Department of Business, Economic Development, and Tourism; Distributed Energy Resources Council of Hawaii; Ulupono Initiative; Enersol Hawaii; Hawaii Energy Policy Forum; Hawaii Solar Energy Association, Inc; Hawai'i Lodging & Tourism Association; Blue Planet Foundation; Enerdigm Ventures; and numerous individuals. Your Committee received testimony in opposition to this measure from the Land Use Research Foundation of Hawaii and Building Industry Association of Hawaii. Your Committee received comments on this measure from the Public Utilities Commission and Hawaiian Electric Company, Inc.

Your Committee finds that the per kilo watt hour cost of electricity in the State of Hawaii exceeds the same per kilo watt hour cost in every other state in the nation. Reducing electricity costs depends in part on diversifying the energy sources within the State. Tax incentives for solar and wind energy will advance the growth of renewable energy and accelerate progress toward the State's goal of one hundred percent renewable energy by 2045. Your Committee believes that allowing tax credits to incentivize traditional grid connected solar systems and energy storage systems will bolster renewable energy in Hawaii. With recent changes in solar policy there will be a greater emphasis within the market for energy storage systems. These tax incentives will accelerate the innovation and adoption of energy storage and benefit customers, the utility, and the State.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 2738, S.D. 2, which replaces the current renewable energy technology systems tax credit with tax credits for solar energy property, wind energy property, and energy storage property; and
- (2) Applying the tax credits to taxable years beginning after December 1, 2016.

Your Committee further amended this measure by:

- (1) Making it effective upon approval; 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 Transportation and Energy that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2291, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2291, 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 (English, Gabbard, Slom).

SCRep. 3577 Judiciary and Labor on H.B. No. 2340

The purpose and intent of this measure is to authorize the Department of Human Services to conduct criminal history record checks on alleged perpetrators of harm or threat of harm to a child and all adults living in the family home of an alleged child victim, without consent, when an assessment is required under the Child Protective Act.

Your Committee received testimony in support of this measure from the Kapiolani Child Protection Center and Family Program Hawaii's It Takes an Ohana Program.

Your Committee finds that there is a compelling state interest to protect children from potential harm. When credible allegations of child abuse or a significant potential for child abuse exists, the Department of Human Services must conduct a thorough assessment to

determine the safety of the family home. Criminal history record checks are a valuable tool for investigating the level of probable risk a child faces from the adults in the child's immediate environment.

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. 2340, 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. 2340, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3578 (Joint) Judiciary and Labor and Ways and Means on H.B. No. 2049

The purpose and intent of this measure is to:

- (1) Authorize the State or a county to obtain ownership over a public highway, road, alley, way, lane, bikeway, bridge, or trail by condemnation pursuant to the State's powers of eminent domain;
- (2) Exempt the State and counties that condemn a privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail from laws or rules that would require construction, reconstruction, preservation, resurfacing, restoration, or rehabilitation upon it;
- (3) Clarify that if a privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail complied with construction codes at the time of construction, then upon transfer of that privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail to a county, the county that accepts the transfer shall not be required to do any construction, renovation, or repair to bring the privately owned highway, road, alley, street, way, lane, bikeway, bridge, or trail up to any construction code existing at the time of transfer;
- (4) Establish a Commission on Remnant Private Roads to identify all roads by street address and tax map key number located in the State and in each county that are deemed to be remnant private roads; and
- (5) Authorize the Commission on Remnant Private Roads to assign ownership of identified remnant private roads to the State or county and require the commission to report to the Legislature prior to the convening of the Regular Session of 2018 identifying the remnant private roads.

Your Committees received testimony in support of this measure from the Department of the Attorney General, Chamber of Commerce Hawaii, Bank of Hawaii, and Hawai'i Association of REALTORS. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources; Department of Transportation; Department of Public Works, County of Hawai'i; and one individual. Your Committees received comments on this measure from the Office of the Mayor, City and County of Honolulu.

Your Committees find that while federal, state, and county agencies maintain jurisdiction over and are responsible for the repair and maintenance of the majority of roads throughout Hawaii, there are numerous roads throughout the State that are privately owned. A number of these privately owned roads are termed remnant roads, or roads that abut or are sandwiched between sections of county-owned roads that should have been dedicated to the county by developers but were not for unknown reasons. Over the decades, the roads have remained open to the public with unrestricted access, including access for cars, buses, and refuse trucks.

Your Committees further find that questions still remain as to who is responsible for the repair and maintenance of such roads. This has been an ongoing challenge for the State and the counties, as well as neighboring residents and landowners. This measure will provide a process for the State or a county to obtain ownership over the road by use of the State's condemnation process and not require the government entity to improve the road to today's standards.

Your Committees have amended this measure by:

- (1) Deleting language that would have authorized the State or a county to obtain ownership over a public highway, road, alley, way, lane, bikeway, bridge, or trail by condemnation pursuant to the State's powers of eminent domain and reinstating State or county ownership by surrender;
- (2) Exempting the State and counties for an unspecified number of years after condemning a private highway, road, alley, street, way, lane, bikeway, bridge, or trail from state laws or rules that require maintenance or improvements thereon;
- (3) Adding the Chairperson of the Board of Land and Natural Resources or the Chairperson's designee as a member of the Commission on Remnant Private Roads;
- (4) Inserting a blank appropriation to the Commission on Remnant Private Roads to identify all roads by street address and tax map key number located in the State and in each county that are deemed to be remnant private roads; 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 H.B. No. 2049, 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. 2049, H.D. 2, S.D. 2.

Signed by the Chairs on behalf of the Committees.

Judiciary and Labor: Ayes, 4. Noes, none. Excused, 3 (Kahale, Kim, Thielen).
Ways and Means: Ayes, 10. Noes, none. Excused, 1 (English).

SCRep. 3579 Ways and Means on H.B. No. 1851

The purpose and intent of this measure is to facilitate the full participation of members of the Public Utilities Commission in commission meetings.

More specifically, this measure allows a:

- (1) Member of the Public Utilities Commission to attend a public hearing of the commission, except for a contested case hearing, via teleconference or videoconference when the meeting is held on an island that is not the island of the member's residence;
- (2) Member of the Public Utilities Commission who is a resident of a county other than the City and County of Honolulu to receive per diem compensation; and
- (3) Person's island of residence to be considered as a criterion when determining the person's qualification to serve on the Public Utilities Commission.

Your Committee received written comments in support of this measure from the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Public Utilities Commission, and one individual.

Your Committee finds that allowing a member of the Public Utilities Commission to attend, via teleconference or videoconference, a meeting of the commission that is held on an island other than the island on which the member resides will reduce the time and expense of travel that would otherwise be entailed by the meetings. Your Committee further finds that providing per diem compensation to a commission member who resides on an island other than Oahu, when the commissioner renders actual service, will encourage qualified persons to serve on the commission and participate in commission meetings.

Your Committee requests that, as this measure moves forward in the legislative process, the subject matter committees consider whether the provision providing per diem payments should apply only to commissioners who are not residents of the City and County of Honolulu or should be expanded to include any commissioner who attends a commission meeting on an island other than the island on which the commissioner resides.

Your Committee further requests that the Public Utilities Commission provide an estimate of the annual cost of implementing this measure.

Your Committee notes that the Division of Consumer Advocacy (Division) of the Department of Commerce and Consumer Affairs submitted written comments in support of this measure. However, the Division suggested that the decision to allow participation in Public Utilities Commission meetings via teleconference or videoconference be left to the discretion of the chair of the commission, because there may be certain instances in which teleconference or videoconference participation would be impractical or inappropriate. Further, with respect to the issue of residency when considering a potential commissioner's qualifications, the Division observed that where a person grew up may be equally important to that person's perspective as where the person currently resides. For example, a person who grew up on a neighbor island but who currently resides on Oahu may likely have a closer affinity to the neighbor island than someone who has become a recent resident of that island.

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. 1851, 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. 1851, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Slom).

SCRep. 3580 Ways and Means on H.B. No. 2539

The purpose and intent of this measure is to expand health benefits options in the State.

Specifically, this measure authorizes insurers, mutual benefit societies, and health maintenance organizations that are subject to regulation by both the Insurance Commissioner and the Department of Labor and Industrial Relations, to offer high deductible health plans in conjunction with health savings accounts to employers who are subject to the Prepaid Health Care Act, together with certain prepaid health care plans that are sold to employers who are subject to the Act.

Your Committee received written comments in support of this measure from the Insurance Division of the Department of Commerce and Consumer Affairs and Alexander and Baldwin, Inc.

Your Committee received written comments in opposition to this measure from the Hawaii State AFL-CIO and ILWU Local 142.

Your Committee received comments on this measure from the Department of the Attorney General, Department of Labor and Industrial Relations, and Hawaii Medical Service Association.

While your Committee has strong concerns on this measure, the subject matter committee chair has requested that your Committee keep this measure moving through the legislative process and has recommended changes as set forth in this draft. Your Committee's concerns revolve around the possible violation of the Employee Retirement Income Security Act of 1974, as amended, which may jeopardize the continued applicability of the Hawaii Prepaid Health Care Act, and the requirement that "insurers," instead of "employers," make health plans available to employees. Also of major concern is the possible effect of the amendment of this measure that was proposed by the subject matter committee chair. The amendment may result in counting high deductible plans towards the determination of the "most prevalent plan" that must be offered by employers to employees under the Prepaid Health Care Act.

Your Committee has amended this measure by:

- (1) Deleting language that would require the number of subscribers of high deductible health plans that are sold in conjunction with a health savings account to be disregarded when determining the largest number of subscribers in the State for purposes of chapter 393, 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 H.B. No. 2539, 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. 2539, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 8. Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3581 Ways and Means on H.B. No. 2353

The purpose and intent of this measure is to amend provisions of the civil service law relating to exemptions from civil service.

Specifically, this measure:

- (1) Restores one additional civil service-exempt deputy director position for the Department of Human Services; and
- (2) Provides three-year civil service exemptions for various positions in the Department of Human Services; Department of Public Safety; Department of Health; Department of Labor and Industrial Relations; and Department of Business, Economic Development, and Tourism.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; Department of Human Resources Development; and Department of Public Safety.

Your Committee received written comments in opposition to this measure from the Hawaii Government Employees Association.

Your Committee received comments on this measure from the Department of Health.

Your Committee finds that exempting certain positions from civil service requirements may assist in the recruitment and retention of qualified professionals. Your Committee further finds that the Department of Health has experienced difficulty in recruiting qualified internists for the Hawaii State Hospital and forensic psychologists to perform court ordered examinations and monitor individuals on conditional release.

Your Committee notes that this measure broadly exempts a number of position classifications in various departments. Your Committee, therefore, requests that, as this measure moves forward, the Department of Human Resources Development provide the Legislature with a breakdown regarding the specific civil service exemptions needed per department and division, justifications for each, and the number of positions that are to be exempt.

Your Committee has amended this measure by:

- (1) Authorizing the Department of Health to establish eighteen forensic psychologist positions and two Hawaii State Hospital primary care physician positions, which shall be civil service-exempt for a period of three years; and
- (2) Changing the effective date to July 1, 2076, 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. 2353, 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. 2353, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11; Ayes with Reservations (Taniguchi). Noes, none. Excused, none.

SCRep. 3582 Ways and Means on H.B. No. 2605

The purpose and intent of this measure is to appropriate \$850,000 to establish, administer, and support on-the-job training for individuals who are dislocated from employment due to the impending closure of Hawaiian Commercial & Sugar Company on Maui.

Your Committee received written comments in support of this measure from the Chamber of Commerce Hawaii; Maui Filipino Chamber of Commerce; Alexander and Baldwin, Inc.; Hawaii Construction Alliance; Hawaii Farm Bureau; Hawaii Government Employees Association; Hawaii State AFL-CIO; ILWU Local 142; Land Use Research Foundation of Hawaii; and one individual.

Your Committee received written comments on this measure from the Department of Labor and Industrial Relations.

Your Committee notes that the owner of the Makena Beach and Golf Resort on Maui has announced that the resort will be closing on July 1, 2016.

Your Committee finds that the closures of Hawaiian Commercial & Sugar Company and Makena Beach and Golf Resort will lead to a loss of more than one thousand jobs on the island of Maui. Although job training assistance will be available for some employees of Hawaiian Commercial & Sugar Company through the recent federal Trade Adjustment Act certification, other dislocated workers will not qualify for that assistance.

Your Committee further finds that providing additional opportunities for employment training and other activities that assist these workers' transition into new employment will help protect and enhance the workforce and economy of Maui County.

Your Committee has amended this measure by:

- (1) Adding reference to the closure of Makena Beach and Golf Resort, which will increase unemployment in Maui County, and adjusting references to job losses accordingly;
- (2) Including a more detailed description of the range of employment training and other services that will be funded by the appropriation in this measure; and
- (3) Changing the appropriation from \$850,000 to an unspecified amount 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. 2605, 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. 2605, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Slom).

SCRep. 3583 (Majority) Ways and Means on H.B. No. 1683

The purpose and intent of this measure is to expand the scope of the state family leave law to allow qualifying employees to use family leave to care for siblings with serious health conditions.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, ILWU Local 142, and one individual.

Your Committee received written comments in opposition to this measure from the Chamber of Commerce Hawaii, Hawaii Food Industry Association, Society for Human Resource Management-Hawaii Chapter, and one individual.

Your Committee recognizes that current state family leave law entitles certain employees to a total of four weeks of unpaid family leave annually to care for the employees' children, spouses, reciprocal beneficiaries, and parents with serious health conditions. Your Committee finds that broadening the scope of this entitlement to include employees' siblings will protect qualifying employees who need to take family leave to care for ailing brothers and sisters.

Your Committee has amended this measure by changing the effective date to July 1, 2100, 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. 1683, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1683, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, 1 (Slom). Excused, none.

SCRep. 3584 Ways and Means on H.B. No. 1370

The purpose and intent of this measure is to simplify and streamline the property division process of the Employees' Retirement System.

Specifically, the measure:

- (1) Creates statutory authority for the Employees' Retirement System to make direct payment to the former spouse of a member or retirant who has been awarded a portion of the member's or retirant's retirement benefits as part of a property division adjudicated, ordered, or decreed by a Family Court in a divorce proceeding; and
- (2) Appropriates moneys for the planning and expenditures necessary to implement the measure.

Your Committee received written comments in support of this measure from the Employees' Retirement System.

Your Committee finds that this measure will:

- (1) Ensure that a member's or retirant's retirement 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; and
- (2) Help align chapter 88, Hawaii Revised Statutes, to the federal Employee Retirement Income Security Act, which applies only to private employers.

Your Committee has amended this measure by:

- (1) Deleting the substantive provisions of the bill;
- (2) Replacing its contents with part II of S.B. No. 2346, S.D. 2, which similarly provides for the division of a retirant's retirement benefits pursuant to a divorce action and conforms appropriate tax consequences;
- (3) Adding an unspecified appropriation from the expense fund of the Employees' Retirement System for planning and expenditures necessary to implement the measure; and
- (4) Changing the effective date to July 1, 2076, 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. 1370, 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. 1370, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Taniguchi).

SCRep. 3585 Ways and Means on H.B. No. 2008

The purpose and intent of this measure is to place restrictions on the hiring of temporary employees by the State.

Specifically, this measure:

- (1) Prohibits the State from temporarily employing a person for more than an unspecified number of terms of ninety consecutive days or less for a position wholly funded by general funds;
- (2) Provides exemptions for contracts executed pursuant to chapters 103, 103D, 103F, and 104, Hawaii Revised Statutes, which respectively relate to the expenditure of public money and public contracts, the Hawaii public procurement code, purchases of health and human services, and wages and hours of employees on public works; and
- (3) Provides exemptions for the counties, the Legislature, and seasonal hires employed by the Department of Taxation.

For 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 restricts the temporary employment of persons by the departments.

Specifically, the Proposed Draft:

- (1) Prohibits public employers from temporarily employing a person for more than two consecutive terms of eighty-nine days absent approval of the Governor;
- (2) Authorizes public employers to employ a person for up to four consecutive terms of eighty-nine days or twenty-four consecutive months, with the approval of the Governor;
- (3) Automatically abolishes any position filled by a temporary employee hired for terms of eighty-nine days when that employee remains in the position for more than twenty-four consecutive months; and
- (4) Provides exemptions for temporarily vacant positions arising out of workers' compensation claims, medical leaves, on-going investigations, shortage differentials, working condition differentials, or remote geographical locations.

Your Committee received testimony in support of the S.D. 1 from the Hawaii Government Employees Association and one individual.

Your Committee received testimony in opposition to the S.D. 1 from the Department of the Attorney General, Department of Agriculture, and Hawaii State Ethics Commission.

Your Committee received comments on the S.D. 1 from the Department of Budget and Finance, Department of Human Resources Development, and Department of Taxation.

Your Committee received testimony in support of the Proposed Draft from the Department of Human Resources Development, Department of Public Safety, and Hawaii Government Employees Association.

Your Committee received testimony in opposition to the Proposed Draft from the Department of the Attorney General; Department of Land and Natural Resources; Department of Labor and Industrial Relations; Department of Business, Economic Development, and Tourism; and Office of Enterprise Technology Services.

Your Committee received comments on the Proposed Draft from the Department of Budget and Finance, Department of Education, Department of Taxation, Department of Commerce and Consumer Affairs, Department of Agriculture, University of Hawaii System, Department of Transportation, and the Department of Human Resources of the City and County of Honolulu.

Your Committee finds that several state departments hire temporary employees for multiple consecutive eighty-nine day terms in circumvention of the civil service system. These employees are denied participation in collective bargaining and other benefits. Your Committee also finds that, under some circumstances, the hiring of temporary employees, including those hired for multiple consecutive terms of eighty-nine days extending over periods of twenty-four months, can help to address seasonal demands in services and ensure the continuity of operations and critical services.

Your Committee has amended this measure by adopting the Proposed Draft with the following further amendments:

- (1) Specifying that the temporary employment restrictions only apply to state departments and agencies;
- (2) Clarifying that the temporary employment prohibition applies to the temporary employment of the same person in the same position for more than two terms of eighty-nine days;
- (3) Amending the maximum period of temporary employment with the approval of the Governor to eight terms of eighty-nine days within a consecutive twenty-four-month period;
- (4) Deleting the provision requiring the automatic abolishment of any position filled by a temporary employee hired for a term of eighty-nine days when that employee remains in the position for more than twenty-four consecutive months;
- (5) Excluding from the temporary employment restrictions the following: vacancies arising out of a seasonal demand for employees, leaves of absence taken by incumbents with return rights, Department of Education positions for the delivery of special education services, and positions pending reorganization; 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 H.B. No. 2008, 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. 2008, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 11. Noes, none. Excused, none.

SCRep. 3586 Ways and Means on H.B. No. 2490

The purpose and intent of this measure is to exempt total and permanently disabled veterans from annual motor vehicle registration taxes assessed on the veteran's first motor vehicle.

Your Committee received written comments in support of this measure from the State of Hawaii Department of Defense Office of Veterans Services and two individuals.

Your Committee received comments on this measure from the Tax Foundation of Hawaii.

Your Committee finds that service connected disabled veterans served valiantly in sacrifice of the United States. Your Committee also finds that providing a motor vehicle registration tax exemption recognizes the sacrifice and dedication endured by veterans who incurred a service connected disability during military service.

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 H.B. No. 2490, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2490, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 7. Noes, none. Excused, 4 (Chun Oakland, English, Harimoto, Wakai).

SCRep. 3587 Ways and Means on H.B. No. 2016

The purpose and intent of this measure is to require that public retiree contributions to the Employer-Union Health Benefits Trust Fund (EUTF) be paid through either withholding of retirement benefit amounts from the Employees' Retirement System (ERS) or through automatic electronic payments.

Your Committee received written comments in support of this measure from one individual. Written comments were received from the EUTF and the ERS.

Your Committee believes that this measure will integrate the functions of the EUTF and the ERS to ensure that public retirees will enjoy uninterrupted medical coverage.

Your Committee notes that the EUTF and the ERS have proposed amendments to this measure and requests that the subject matter committees review the proposed amendments as this measure moves forward through 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 H.B. No. 2016, 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 (English, Inouye, Slom).

SCRep. 3588 Ways and Means on H.B. No. 2722

The purpose and intent of this measure is to address unemployment insurance benefits.

More specifically, this measure:

(1) Creates a temporary program, in counties with a population of less than 200,000, to provide additional benefits to unemployed individuals by extending their unemployment insurance benefits under certain conditions, including enrollment by the unemployed individual in an approved training or retraining course; and

(2) Appropriates funds to the Department of Labor and Industrial Relations to implement the measure.

Your Committee received written comments in support of this measure from the Department of Labor and Industrial Relations, The Chamber of Commerce Hawaii, the Hawaii Government Employees Association, the Hawaii State AFL-CIO, ILWU Local 142, and one individual.

Your Committee finds that assisting dislocated workers in certain counties who may have limited prospects for securing work will allow them additional time to find suitable gainful employment, thus benefitting the State. Your Committee further finds that workers who receive supplemental benefits under this measure must meet certain conditions, including enrolling in approved training or retraining courses.

Your Committee notes that the Department of Labor and Industrial Relations has estimated that providing supplemental benefits pursuant to this measure will cost approximately \$20,000,000 from 2017 through 2019 if the measure is limited to counties with a population of less than 200,000, with additional administrative costs of approximately \$650,000 in state general funds.

As affirmed by the record of votes of the members 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. 2722, 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 (Slom).

SCRep. 3589 Ways and Means on H.B. No. 1897

The purpose and intent of this measure is to require insurers in the State to provide insurance coverage for sexually transmitted disease annual screenings.

Your Committee received written comments in support of this measure from Chamber of Commerce Hawaii, Hawaii Public Health Association, Hawaii Medical Service Association, and Planned Parenthood Votes Northwest and Hawaii.

Your Committee received written comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that early detection of sexually transmitted diseases contributes significantly to the proper treatment and prevention of further transmission of these diseases. Many individuals lack access to screening for sexually transmitted diseases despite federal law requiring health insurance to cover these screenings without any patient cost sharing. Your Committee notes that recent estimates suggest that almost one in eight persons with human immunodeficiency virus are unaware of their status. Providing Hawaii's citizens with additional access to annual screenings for sexually transmitted diseases will result in health status awareness, earlier disease detection and treatment, and a decrease in transmission rates.

Should a Conference Committee choose to consider this measure, your Committee requests that the Standing Committees with subject matter jurisdiction over this measure continue to work with the various stakeholders on refining the specifics of the measure for preparation of a final Conference Draft.

As affirmed by the record of votes of the members 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. 1897, 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 (English, Slom).

SCRep. 3590 Ways and Means on H.B. No. 1050

The purpose and intent of this measure is to mitigate, deter, and prevent the spread of invasive species in the State.

More specifically, this measure:

- (1) Requires the Department of Agriculture and the Hawaii Invasive Species Council to perform specified tasks to address the interisland spread of invasive species;
- (2) Requires the Department of Agriculture and the Hawaii Invasive Species Council to submit annual reports to the Legislature; and
- (3) Appropriates funds for specified tasks to address the interisland spread of invasive species.

Your Committee received written comments on this measure from the Department of Agriculture, the Department of Land and Natural Resources, and the University of Hawaii System.

Your Committee finds that the spread of invasive species among islands of the State threaten and harm agriculture, native biota, public health, and the economy. The Hawaii Invasive Species Council and the Department of Agriculture should collaborate more efficiently and effectively to mitigate, deter, and prevent the spread of invasive species, especially in agricultural production areas, conservation lands, and residential areas.

Your Committee notes its intent that the general fund appropriation in this Act be utilized if the appropriations from non-general funds provided in the Act are insufficient for the specified purposes.

Your Committee has amended this measure by:

- (1) Deleting section 3 of the measure, which required the Hawaii Invasive Species Council to undertake invasive species management on non-agricultural lands for specified purposes;
- (2) Deleting section 5 of the measure, which required the Hawaii Invasive Species Council to submit an annual report to the Legislature;
- (3) Clarifying that the provision of chemicals and equipment to assist growers in reducing infestation in agricultural areas relates to reducing the potential interisland movement of invasive species;
- (4) Specifying that an appropriation from the general revenues of the State shall be for "the purposes of this Act," rather than a specific section of the Act and changing the expending agency to the Department of Agriculture, rather than the Hawaii Invasive Species Council; 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 H.B. No. 1050, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1050, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (English, Inouye, Slom).

SCRep. 3591 Ways and Means on H.B. No. 2160

The purpose and intent of this measure is to address light pollution in Hawaii by establishing a temporary Dark Night Skies Protection Advisory Committee to assist the Department of Business, Economic Development, and Tourism in the development of a statewide dark night skies protection strategy.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism; the Department of Land and Natural Resources; University of Hawaii System; Conservation Council for Hawaii; and four individuals.

Your Committee received written comments on this measure from the Land Use Research Foundation of Hawaii.

Your Committee finds that light pollution, caused by the excessive, misdirected, or obtrusive use of artificial light, is a statewide problem that affects Hawaii's dark night skies, and thus interferes with the nocturnal activities of wildlife and important astronomical research that can only be conducted at night. Light from Oahu is easily visible from Haleakala and interferes with astronomical observations in the western part of the sky. Your Committee further finds that the nighttime illumination of state highways, harbors, airports, and other facilities has a high energy cost. Accordingly, your Committee believes that the State needs a coordinated strategy to reduce light pollution statewide.

Your Committee has amended this measure by:

- (1) Requiring the Chairperson of the Dark Night Skies Protection Advisory Committee to invite a representative of the United States military, to be appointed by the Commander of the United States Pacific Command, to serve on the advisory committee; and
- (2) Directing the Department of Business, Economic Development, and Tourism to submit its findings and recommendations to the Legislature before the convening of the 2018 and 2020 Regular Sessions, in addition to the 2017, 2019, and 2021 Regular Sessions.

As affirmed by the record of votes of the members 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. 2160, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2160, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (English, Galuteria, Taniguchi, Wakai, Slom).

SCRep. 3592 Ways and Means on H.B. No. 2293

The purpose and intent of this measure is to authorize the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with state and county departments and agencies.

Your Committee received written comments in support of this measure from the Department of Business, Economic Development, and Tourism, Office of Planning, Hawaii Housing and Finance Development Corporation, The Chamber of Commerce Hawaii, Hawaii Association of Realtors, Land Use Research Foundation of Hawaii, and Building Industry Association of Hawaii.

Your Committee finds that this measure will enable the Hawaii Housing and Finance Development Corporation to develop residential, commercial, office, and public facilities in a mixed-use context that is integral to developing compact, walkable, and more livable communities.

Your Committee has amended this measure by:

- (1) Clarifying the phrase "including mixed-use developments in which housing is a component" by deleting the phrase "in which housing is a component," as unnecessary, given the definition of "mixed-use developments" in the measure;
- (2) Clarifying the reference to the Corporation's authority to "plan facilities and related infrastructure as an integral part of its mixed-use developments" by adding back the term "housing projects," and adding the word "including" to indicate that the housing projects may include mixed-use developments. The reference now reads "plan facilities and related infrastructure as an integral part of its housing projects, including mixed-use developments"; and
- (3) Changing the effective date from July 1, 2030, 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 H.B. No. 2293, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2293, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 9. Noes, none. Excused, 2 (English, Galuteria).

SCRep. 3593 Ways and Means on H.B. No. 2244

The purpose and intent of this measure is to make appropriations for various housing programs.

Specifically, this measure provides appropriations for:

- (1) The rental housing revolving fund;
- (2) Continued implementation and expansion of the housing first program;
- (3) Repair and maintenance of the Hawaii Public Housing Authority's existing public housing stock; and

(4) A rental assistance program, also known as a rapid re-housing program, within the Department of Human Services.

Your Committee received written comments in support of this measure from the Department of Human Services, Hawaii Housing Finance and Development Corporation, Governor's Coordinator on Homelessness, Land Use Research Foundation of Hawaii, Catholic Charities Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Association of Realtors, Partners in Care, The CHOW Project, and three individuals.

Your Committee finds that this measure will provide proven and much-needed cost-effective solutions to address homelessness in the State.

Your Committee has amended this measure by establishing one full-time equivalent position within the Hawaii Public Housing Authority to assist in the administration of the rent supplement program. Your Committee intends that the position be funded from the base budget of the rent supplement 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. 2244, 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. 2244, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 9. Noes, none. Excused, 2 (English, Galuteria).

SCRep. 3594 Ways and Means on H.B. No. 2029

The purpose and intent of this measure is to establish a water infrastructure loan program to enable private entities to purchase or install water infrastructure equipment for water distribution systems.

This measure also appropriates an unspecified amount to the Hawaii water infrastructure special fund.

Your Committee received written comments in support of this measure from the Department of Agriculture, Department of Land and Natural Resources, Hawaii Farm Bureau, and Land Use Research Foundation of Hawaii.

Your Committee received written comments on this measure from the Department of Budget and Finance, State Procurement Office, and Hawaii Fresh Water Initiative.

Your Committee finds that the maintenance and upgrading of water infrastructure is extremely important to the State and that the loan program established under this measure will provide a means of financing for the needed repair and maintenance of several water distribution systems.

Your Committee has amended this measure by:

- (1) Changing the title of chapter 155, Hawaii Revised Statutes, from "Agricultural Loan" to "Agricultural and Water Infrastructure Loans;"
- (2) Specifying that contracts for the administration of the loan program are subject to, rather than exempt from, the state procurement code;
- (3) Adding an appropriation for the Department of Agriculture to implement the loan program; and
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

Your Committee notes that it has requested the Department of Agriculture to recommend an appropriation amount necessary to implement the water infrastructure loan 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. 2029, 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. 2029, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.
Ayes, 10. Noes, none. Excused, 1 (Slom).

SCRep. 3595 Ways and Means on H.B. No. 1807

The purpose and intent of this measure is to authorize officers and employees of the State who are members of the Reserve of the Armed Forces and National Guard to receive paid military leave benefits while on inactive-duty training.

Your Committee received written comments in support of this measure from the State Department of Defense and one individual.

Your Committee finds that federal government employees who are members of the Reserve of the Armed Forces and National Guard may receive paid military leave benefits for inactive-duty training. However, state and county officers and employees who are members of these branches are not currently authorized by state law to receive military leave benefits for inactive-duty training. Your Committee believes that the Reserve of the Armed Forces and the National Guard play crucial roles in protecting the United States, and that members of these branches should have equal access to paid military leave, regardless of their position with the State or a county.

Your Committee has amended this measure by inserting language into the preamble to emphasize the importance of inactive-duty training for all Reserve and National Guard members.

As affirmed by the record of votes of the members 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. 1807, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1807, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (English, Galuteria, Taniguchi, Wakai, Slom).

SCRep. 3596 Ways and Means on H.B. No. 1849

The purpose and intent of this measure is to address the State's need to fill positions left vacant when workers retire.

More specifically, this measure establishes within the Department of Human Resources Development a three-year reclassification and recruitment pilot program to expedite the recruitment and hiring process for critical-to-fill and labor shortage positions.

Your Committee received written comments in support of this measure from the Department of Human Resources Development and Hawaii Government Employees Association.

Your Committee finds that much of the State's workforce is aging and retiring from positions that are proving hard to fill. The need for state workers has out-paced the State's ability to adequately refill positions. While the Department of Human Resources Development has made significant progress in streamlining employment recruiting and certification, more needs to be done to address the current and projected increase in state worker retirements. Your Committee believes that a pilot program that expedites the State's recruitment and hiring process for critical-to-fill and labor shortage positions will assist the State in refilling these positions.

Your Committee has amended this measure by:

- (1) Changing all references to "critical-to-fill and labor shortage positions" to "hard-to-fill positions";
- (2) Clarifying that the Department of Human Resources Development shall also submit annual reports to the Legislature before the convening of the Regular Sessions of 2018, 2019, and 2020; and
- (3) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As this measure advances through the legislative process, your Committee requests the Department of Human Resources Development to provide a recommendation on the appropriation amount necessary to effectuate this measure, which may include a recommendation on the number of positions to hire.

As affirmed by the record of votes of the members 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. 1849, 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. 1849, H.D. 1, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 11. Noes, none. Excused, none.

SCRep. 3597 Ways and Means on H.B. No. 2636

The purpose and intent of this measure is regulate the installation of industrial solar energy production equipment in agricultural districts that meet certain criteria.

Specifically, this measure requires a special permit approval from the county planning commission to install solar energy production equipment with a capacity of greater than twenty-five kilowatts on certain lots within an agricultural district of a county with a resident population of greater than one hundred seventy thousand but fewer than five hundred thousand.

Your Committee received written comments in support of this measure from nine individuals.

Your Committee received written comments in opposition to this measure from the Office of Planning and two individuals.

Your Committee received written comments on this measure from the Department of Agriculture.

Your Committee finds that this measure will impose an additional level of scrutiny on the construction of industrial scale solar power generating facilities in certain areas of the State Agricultural District by requiring such projects to obtain a special permit.

Your Committee acknowledges that the Office of Planning has opposed the narrow and targeted application of this measure and that the Department of Agriculture has strong concerns that the measure could be interpreted as benefiting non-conforming residential uses in the State Agricultural District. As this measure moves forward, these concerns should be taken into serious consideration as part of the final conference draft.

Your Committee has amended this measure by changing the effective date to July 1, 2076, 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. 2636, 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. 2636, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (English, Galuteria, Taniguchi, Wakai, Slom).

SCRep. 3598 (Majority) Ways and Means on H.B. No. 2501

The purpose and intent of this measure is to address the disposition of applications to continue previously authorized water rights dispositions.

Specifically, this measure:

- (1) Temporarily amends section 171-58, Hawaii Revised Statutes, to provide that when an application is made for a lease to renew a previously authorized water rights disposition, a holdover may be authorized annually until the pending lease application for the water rights disposition is finally resolved or for three years, whichever is sooner; and
- (2) Appropriates an unspecified amount of general funds to expedite pending applications for water rights dispositions.

Your Committee received written comments in support of this measure from the Department of Agriculture; the Office of the Mayor of the County of Maui; Alexander & Baldwin, Inc.; Chamber of Commerce Hawaii; Hawaii Association of Realtors; Hawaii Cattlemen's Council; Hawaii Farm Bureau; Hawaii Fish Company, Inc.; Kauai Island Utility Cooperative; Larry Jeffs Farms, LLC; Maui County Farm Bureau; Building Industry Association of Hawaii; Hawaii Crop Improvement Association; Hawaii Farmers and Ranchers United; Monsanto Hawaii; Ponoholo Ranch Limited; and twenty-five individuals.

Your Committee received written comments in opposition to this measure from the Office of Hawaiian Affairs; the Department of Ethnic Studies at the University of Hawaii at Manoa; Conservation Council for Hawaii; Farmers Voice Hawaii; Aloha Revolution; and seventy-five individuals.

Your Committee received written comments on this measure from the Department of Land and Natural Resources and one individual.

Your Committee finds that as the State undergoes economic and environmental changes, it is a challenge to achieve the goal of a sustainable, well-managed community in which food is grown locally and fresh water sources remain available for reasonable, beneficial uses. Your Committee believes that without continued access to a water source, there may be significant economic and social impacts on Hawaii's agricultural community and sustainability goals.

Your Committee notes that, under a separate request, the Department of Land and Natural Resources has requested an appropriation of \$1,500,000 in general funds for Phase II of a stream study in partnership with the United States Geological Survey. This study will collect data on low-flow characteristics of Hawaii streams and provide the necessary baseline information to support the setting of in-stream flow standards and assessing water availability for municipal, agricultural, and other uses. Your Committee believes that the data provided by this study will assist the Board of Land and Natural Resources in resolving the disposition of previously authorized water rights. Accordingly, your Committee has included the appropriation in the Supplemental Appropriations Act of 2016.

Your Committee has amended this measure by:

- (1) Changing the appropriation from an unspecified amount to \$150,000, and specifying that the appropriation is for the Department of Land and Natural Resources to hire one full-time equivalent project development specialist and one full-time equivalent hydrologist IV to expedite applications submitted on or after the effective date of this measure to continue previously authorized water rights dispositions;
- (2) Requiring the Department of Land and Natural Resources to submit to the Legislature before each of the Regular Sessions of 2017, 2018, 2019, and 2020, reports regarding:
 - (A) The status of applications to continue previously-authorized dispositions of water rights;
 - (B) Actions taken on the applications; and
 - (C) Any relevant recommendations for legislative action or appropriation; and
- (3) Deleting the provisions contained in the effective date section that applied the amendments made by the measure to water rights disposition applications that are pending before the Board of Land and Natural Resources on the effective date of the measure, and thereby limiting the application of the measure's amendments to only those water rights disposition applications filed with the Board of Land and Natural Resources on or after the effective date of the measure.

Your Committee finds that this measure, as amended herein, will provide affected farmers, ranchers, and businesses statewide a mechanism to ensure a fair process for this class of water permit holders for a limited time period, while the department of land and natural resources establishes longer term solutions.

As affirmed by the record of votes of the members 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. 2501, 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. 2501, H.D. 2, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 9; Ayes with Reservations (Chun Oakland, Wakai, Slom). Noes, 2 (English, Riviere). Excused, none.

SCRep. 3599 Ways and Means on H.B. No. 1753

The purpose and intent of this measure is to improve public safety by strengthening regulations regarding mopeds.

Specifically, this measure:

- (1) Requires the Director of Finance to issue a moped number plate and tag or emblem upon payment of fees;
- (2) Requires an owner of a moped to affix the number plates and tag or emblem to the owner's moped;
- (3) Prohibits the unauthorized transfer of current number plates, tags, and emblems for mopeds;
- (4) Subjects mopeds to annual certificate of inspection requirements;
- (5) Prohibits a person from operating or parking any moped on a public highway, without a current official certificate of inspection;

- (6) Prohibits a person from operating a moped that is not in good working order on any highway;
- (7) Extends to mopeds certain police powers regarding the inspection of vehicles believed to be unsafe or without required equipment; and
- (8) Includes adults in the safety helmet requirement currently imposed upon minors driving a moped.

Your Committee received written comments in support of this measure from the Department of Transportation; Diamond Head/Kapahulu/St. Louis Heights Neighborhood Board No. 5; Pearl City Neighborhood Board No. 21; the Moped Noise Mitigation Working Group; and six individuals.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee received written comments on this measure from one individual.

Your Committee recognizes the rising use of mopeds as a lower-priced transportation alternative to motor vehicles. According to the City and County of Honolulu, the number of registered mopeds in Honolulu increased every year between 2006 and 2012. Your Committee also recognizes that many individuals have expressed concerns regarding mopeds' impact on traffic safety because of substandard or altered equipment found on many mopeds. Moreover, your Committee notes that concerns regarding noise, speeding, and the ability to enforce penalties are major concerns in communities statewide. Accordingly, your Committee finds that requiring mopeds to undergo the same registration and safety inspection requirements that are imposed on motor vehicles would help address these situations and allow law enforcement to ensure safety statewide.

However, your Committee notes that much work still needs to be done to achieve a workable final conference draft. Your Committee believes that the counties should take the lead in registering mopeds and, further, notes its concern that, as presently worded, this measure might prohibit riding a moped without a registration before the new registration system is established. Accordingly, in preparation for Conference on this measure, your Committee requests that the subject matter committees and the measure's proponents address the following issues and concerns:

- (1) Determine, in consultation with the Department of Transportation and the various counties, the specific costs, timeframe, and transition period necessary for the implementation of this measure;
- (2) Determine what current moped fees and rules, if any, are presently in place in the various counties with populations of less than 500,000;
- (3) Consider the potential impact this measure may have on the tourism industry, since many visitors rent mopeds;
- (4) Consider whether the scope of the measure should be limited to counties with populations of 500,000 or more; and
- (5) Address concerns that the measure may need to be amended to harmonize the measure's use of the terms "vehicle" and "moped" in sections 286-22 and 286-26, Hawaii Revised Statutes, and determine what conforming amendments may need to be made to other chapters of the Hawaii Revised Statutes, including: Chapter 249 (County Vehicle Taxes) regarding number plates; Chapter 291C (Statewide Traffic Code) regarding moped inspections; and Chapter 431 (Insurance Code).

Your Committee has amended this measure by:

- (1) Changing the registration fee from an unspecified amount to \$50 per year, the amount inserted in H.B. No. 1753, H.D. 1, by the House Committee on Transportation; and
- (2) Deleting the amendment that would have required adults to wear a safety helmet when operating a moped.

As affirmed by the record of votes of the members 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. 1753, 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. 1753, H.D. 3, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 8; Ayes with Reservations (English). Noes, none. Excused, 3 (Taniguchi, Wakai, Slom).

SCRep. 3600 Commerce, Consumer Protection, and Health on Gov. Msg. No. 704

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF ACUPUNCTURE

G.M. No. 704 MIKE HASHIMOTO, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Mike Hashimoto to possess the requisite qualifications to be nominated for reappointment to the Board of Acupuncture.

Your Committee received testimony in support of the nomination of Mike Hashimoto from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Dr. Hashimoto's background, experience, and proven leadership on the Board of Acupuncture qualify him to be nominated for reappointment to the Board of Acupuncture as a licensee member. Your Committee notes that Dr. Hashimoto has extensive clinical and practice experience as an acupuncturist in Hawaii and Japan, has been a licensed acupuncturist in Hawaii for over forty years, holds Doctor of Philosophy in Acupuncture and Doctor of Chinese Medicine degrees, and is the owner of Integrated Acupuncture and Oriental Medicine in Honolulu. Dr. Hashimoto also currently serves as Vice President of the Academy of Integrated Medicine Hawaii and previously served as Chair of the Board of Acupuncture and President of the Hawaii Acupuncture Association. Your Committee further finds that Dr. Hashimoto has been a member of the Board of Acupuncture since December 2010 and his insights into the practice of acupuncture and Oriental Medicine continue to enhance the

effectiveness of the Board. Your Committee therefore recommends that Dr. Hashimoto be reappointed to the Board of Acupuncture based on his knowledge, background, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3601 Higher Education and the Arts on Gov. Msg. Nos. 694 and 695

Recommending that the Senate advise and consent to the nominations of the following:

CENTER FOR NURSING ADVISORY BOARD

G.M. No. 694 JULIO ZAMARRIPA, for a term to expire 06-30-2019; and

G.M. No. 695 SUSAN YOUNG, for a term to expire 06-30-2020 (board name amended to Center for Nursing Advisory Board by GM696)

JULIO ZAMARRIPA

Your Committee received testimony in support of the nomination of Julio Zamarripa from the Hawai'i State Center for Nursing, Straub Clinic and Hospital, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Zamarripa has demonstrated strong leadership skills in a professional environment and in his community, earning him praise and recognition from his colleagues and community leaders. Your Committee therefore finds that Mr. Zamarripa's professional experience and background qualify him for nomination to the Center for Nursing Advisory Board as a nurse with an active Hawaii nursing license, and that his commitment to his profession will be a valuable asset to the Board.

SUSAN YOUNG

Your Committee received testimony in support of the nomination for the reappointment of Dr. Susan Young from the Hawaii State Center for Nursing, Healthcare Association of Hawaii, and five individuals.

Upon review of the testimony, your Committee finds that in her position as an Assistant Professor in the University of Hawai'i West O'ahu Health Administration Program, Dr. Young has shown a strong commitment to the education of current and prospective nursing professionals. Your Committee further notes that Dr. Young was elected by Hawai'i State Center for Nursing Advisory Board members to her current position as the Board's Vice Chair. Your Committee also finds that Dr. Young has a thorough understanding of the role and responsibilities of board members and has been nominated for reappointment to the Center for Nursing Advisory Board as a member with a background or experience in health care delivery based on her knowledge, professional experience, and commitment to nursing in the State.

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, 1 (Slom).

SCRep. 3602 Tourism and International Affairs on Gov. Msg. No. 651

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I SISTER STATE COMMITTEE

G.M. No. 651 EDUARDO TOPENIO, JR., for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Eduardo Topenio, Jr., to possess the requisite qualifications to be nominated to the Hawai'i Sister State Committee.

Your Committee received testimony in support of the nomination from the Department of Business, Economic Development, and Tourism; and Hawai'i Friends of Civil Rights.

Eduardo Topenio, Jr., is currently the Administrative Assistant to the County Clerk, County of Kauai, a position he has held since January 2012. He served as Deputy County Clerk beginning May 2010. Prior thereto, he was the Banquet Manager at Princeville Hotel for 10 years. Mr. Topenio is an active volunteer for community organizations on Kauai, including the Kauai Filipino Chamber of Commerce, where he previously served as President; Kapaa Rotary; and Kauai Hospice.

Mr. Topenio has a background in tourism through his work at Princeville Hotel and from his service with the Kauai Filipino Chamber of Commerce. Your Committee finds that this background will serve him well as a member of the Hawai'i Sister State Committee. In particular, Mr. Topenio can strengthen the State's efforts to support sister-state relationships as a prominent member of the Filipino community who speaks and understands Ilocano.

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, 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 Majority Leader on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Green, Tokuda, Slom).

SCRep. 3603 Higher Education and the Arts on Gov. Msg. Nos. 748 and 749

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF REGENTS OF THE UNIVERSITY OF HAWAI'I

G.M. No. 748 BRANDON MARC HIGA, for a term to expire 06-30-2018; and

G.M. No. 749 MICHELLE TAGORDA, for a term to expire 06-30-2021

BRANDON MARC HIGA

Your Committee received testimony in support of the nomination for the appointment of Brandon Marc Higa from the Hawaii Government Employees Association, Hawaii Friends of Civil Rights, Kalāualani Native Hawaiian Council, Ashford and Wriston, and eight individuals.

Upon review of the testimony, your Committee finds that Mr. Higa's education, experience, and background qualify him for appointment to the Board of Regents of the University of Hawai'i as a student member. Your Committee notes that Mr. Higa's outstanding work as a Grants Development Specialist at the Kapiolani Community College has earned him praise from his colleagues and peers. Your Committee also notes that the dean of the William S. Richardson School of Law, where Mr. Higa is currently a student, has personally recognized Mr. Higa's leadership and commitment to the University of Hawai'i and its students. Your Committee therefore finds that Mr. Higa has demonstrated his dedication to public service and the University, and he will be a valuable addition to the Board of Regents of the University of Hawai'i as the Student Regent.

MICHELLE TAGORDA

Your Committee received testimony in support of the nomination for the appointment of Michelle Tagorda from the Hawaii State Commission on the Status of Women; Hawaii Friends of Civil Rights; Nursing Advocates and Mentors; National Federation of Filipino American Associations; Asian American Network for Cancer Awareness, Research and Training; Pamantasan Council; Filipino American Citizens League; Filipino Coalition for Solidarity; Ashford and Wriston; and ten individuals.

Upon review of the testimony, your Committee finds that Ms. Tagorda's experience with the University of Hawai'i as a Student Regent will continue to be an asset to the Board of Regents of the University of Hawai'i when the Board conducts its business and deliberations. Your Committee further finds that Ms. Tagorda has demonstrated that she is a motivated leader, and is dedicated to the success of the University of Hawai'i and its students. Your Committee notes that Ms. Tagorda has a thorough understanding of the role and responsibilities of Board members, and as a Student Regent, Ms. Tagorda earned strong support from fellow Board members for her nomination for appointment as a non-student member of the Board. Your Committee therefore finds that Ms. Tagorda has been nominated for appointment to the Board of Regents of the University of Hawai'i as a representative of the City and County of Honolulu based on her knowledge, experience, and commitment to the University of Hawai'i.

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, 1 (Slom).

SCRep. 3604 Education on Gov. Msg. Nos. 664, 665, 666, 667, and 668

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI'I TEACHER STANDARDS BOARD

G.M. No. 664 JUSTIN MEW, for a term to expire 06-30-2019;

G.M. No. 665 FELICIA VILLALOBOS, for a term to expire 06-30-2019;

G.M. No. 666 LISA DELONG, for a term to expire 06-30-2019;

G.M. No. 667 LOUISE CAYETANO, for a term to expire 06-30-2019; and

G.M. No. 668 STEVE NAKASATO, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Justin Mew, Felicia Villalobos, Lisa DeLong, Louise Cayetano, and Steve Nakasato to possess the requisite qualifications to be nominated to the Hawai'i Teacher Standards Board.

JUSTIN MEW

Your Committee received testimony in support of the nomination for the reappointment of Justin Mew from the Hawai'i Teacher Standards Board and two individuals.

Upon review of the testimony, your Committee finds that Mr. Mew's extensive experience as an educator and administrator, commitment to serving the interests of Hawai'i's students, and leadership abilities qualify him for reappointment to the Hawai'i Teacher Standards Board. Your Committee notes that Mr. Mew has served on the Hawai'i Teacher Standards Board since 2011 as a representative of Hawai'i school principals, and the Board benefits from his expertise in the area of teacher licensing. Mr. Mew's career in education stretches over more than thirty years, during which he has served as a secondary school teacher, coach, vice principal, and

principal. Your Committee further finds that Mr. Mew's experience and dedication to public service will continue to be great assets to the Hawai'i Teacher Standards Board.

FELICIA VILLALOBOS

Your Committee received testimony in support of the nomination for the reappointment of Felicia Villalobos from the Hawai'i Teacher Standards Board and one individual.

Upon review of the testimony, your Committee finds that Ms. Villalobos's experience as an educator, dedication to public service, and proven leadership skills qualify her for reappointment to the Hawai'i Teacher Standards Board. Your Committee notes that Ms. Villalobos has served on the Hawai'i Teacher Standards Board since 2012, and is currently the Vice Chairperson of the Board and Chairperson of the Teacher Standards Committee. Ms. Villalobos has served as an elementary school teacher for more than ten years, and has been recognized at the local and national level for excellence in teaching. Your Committee further finds that Ms. Villalobos's experience and commitment to Hawaii's students will continue to be great assets to the Hawai'i Teacher Standards Board.

LISA DELONG

Your Committee received testimony in support of the nomination for the reappointment of Dr. Lisa DeLong from the Hawai'i Teacher Standards Board and two individuals.

Upon review of the testimony, your Committee finds that Dr. DeLong's experience as an educator and administrator, leadership in the field of excellence in education, and dedication to Hawaii's students qualify her for reappointment to the Hawai'i Teacher Standards Board. Your Committee notes that Dr. DeLong has served on the Hawai'i Teacher Standards Board since 2013, and has represented the Board at the national level at Council of Chief State School Officers conferences to investigate and support state plans for equity in education. Dr. DeLong has over thirty years of professional experience in education, and has served as a teacher, program coordinator, vice principal, principal, and complex area superintendent. Your Committee further finds that Dr. DeLong's experience, expertise, and dedication to public service will continue to be great assets to the Hawai'i Teacher Standards Board.

LOUISE CAYETANO

Your Committee received testimony in support of the nomination for the reappointment of Louise Cayetano from the Hawai'i Teacher Standards Board and two individuals.

Upon review of the testimony, your Committee finds that Ms. Cayetano's professional experience as an educator, dedication to the needs of Hawaii's students, and proven leadership abilities qualify her for reappointment to the Hawai'i Teacher Standards Board. Your Committee notes that Ms. Cayetano has served on the Hawai'i Teacher Standards Board as the Legislative Committee Chairperson as well as a member of the Hearing Panel for Professional Fitness Matters. Ms. Cayetano has served as an elementary teacher at Fern Elementary School for more than twenty years, and has demonstrated a commitment to excellence in education throughout her career. Your Committee further finds that Ms. Cayetano's classroom experience, expertise in crafting licensure policy, and dedication to public service will continue to be great assets to the Hawai'i Teacher Standards Board.

STEVE NAKASATO

Your Committee received testimony in support of the nomination for the reappointment of Dr. Steve Nakasato from the Hawai'i Teacher Standards Board and two individuals.

Upon review of the testimony, your Committee finds that Dr. Nakasato's professional experience as an educator and administrator, constant commitment to public service, and leadership abilities qualify him for reappointment to the Hawai'i Teacher Standards Board. Your Committee notes that Dr. Nakasato has served on the Hawai'i Teacher Standards Board's Teacher Education and Budget, Personal, and Strategic Planning Committees. Dr. Nakasato has more than thirty years of experience as an educator and administrator, and has served as a teacher, vice principal, and principal. He has been recognized numerous times at both the state and national level with awards for excellence in education. Your Committee further finds that Dr. Nakasato's extensive experience, dedication to serving the needs of Hawaii's students, and leadership in the field of education will continue to be great assets to the Hawai'i Teacher Standards Board.

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, 4. Noes, none. Excused, 3 (Harimoto, Kahele, Slom).

SCRep. 3605 Commerce, Consumer Protection, and Health on Gov. Msg. No. 714

Recommending that the Senate advise and consent to the nomination of the following:

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

G.M. No. 714 CHRISTOPHER TOYAMA, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Christopher Toyama to possess the requisite qualifications to be nominated for reappointment to the State Council on Developmental Disabilities.

Your Committee received testimony in support of the nomination for reappointment of Christopher Toyama from the State Council on Developmental Disabilities and Hawaii Self-Advocacy Advisory Council.

Your Committee finds that Mr. Toyama is presently a Product Demonstrator at Costco and has extensive past work experiences in customer service, having worked at Zippy's, The Salvation Army, and Lanakila Crafts. Mr. Toyama is active in the community, serving as a member of the State Council on Developmental Disabilities and the Legislative Liaison for the Hawaii Self-Advocacy Advisory

Council. Mr. Toyama indicated in his personal statement that he would like to bring his expertise in independent living to the State Council on Developmental Disabilities and advocate for those who cannot advocate for themselves. Your Committee finds that Mr. Toyama's enthusiasm and awareness of policies related to developmental disabilities, passion for helping others achieve independence, and dedication to public service will be great assets to the State Council on Development Disabilities.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3606 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 750 and 751

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DENTAL EXAMINERS

G.M. No. 750 MARK CHUN, for a term to expire 06-30-2020; and

G.M. No. 751 GARRETT OTA, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Mark Chun and Garrett Ota to possess the requisite qualifications to be nominated to the Board of Dental Examiners.

MARK CHUN

Your Committee received testimony in support of the nomination for the reappointment of Mark Chun from the Department of Commerce and Consumer Affairs, Hawaii Dental Association, and three individuals.

Upon review of the testimony, your Committee finds that Dr. Chun's background, experience, and proven leadership on the Board of Dental Examiners qualify him to be nominated for reappointment to the Board of Dental Examiners as a dentist member. Your Committee notes that Dr. Chun has been a licensed dentist in private practice in Kailua for over thirty years. Dr. Chun is active in his profession and his community and is a member of several professional organizations, including the American Dental Association, Hawaii Dental Association, and Hawaii Academy of General Dentistry, where he served as past President. Your Committee further finds that Dr. Chun has been a member of the Board of Dental Examiners since July 2012 and his experience as an examiner for dental licensure examinations and the valuable insights he has gained throughout his career continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Chun be reappointed to the Board of Dental Examiners based on his knowledge, experience, and commitment to public service.

GARRETT OTA

Your Committee received testimony in support of the nomination for the reappointment of Garrett Ota from the Department of Commerce and Consumer Affairs, Hawaii Dental Association, and six individuals.

Upon review of the testimony, your Committee finds that Dr. Ota's knowledge, experience, and proven leadership on the Board of Dental Examiners qualify him to be nominated for reappointment to the Board of Dental Examiners as a dentist member. Your Committee notes that Dr. Ota has been a licensed dentist for over twenty years and has his own general dentistry private practice in Hilo, Hawaii. Dr. Ota is an active participant within his professional organizations, including previously serving as a member of the Hawaii Dental Association House of Delegates and past President of the Hawaii County Dental Society. Your Committee further finds that Dr. Ota has been a member of the Board of Dental Examiners since July 2012 and his years of experience in private practice serving a diverse patient population and his experience as an examiner for dental licensure examinations continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Ota be reappointed to the Board of Dental Examiners based on his experience, background, and dedication to serving his profession and the community.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3607 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 753 and 754

Recommending that the Senate advise and consent to the nominations of the following:

MOTOR VEHICLE INDUSTRY LICENSING BOARD

G.M. No. 753 STEVEN CHOW, for a term to expire 06-30-2016; and

G.M. No. 754 STEVEN CHOW, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Steven Chow to possess the requisite qualifications to be nominated to the Motor Vehicle Industry Licensing Board.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Steven Chow from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Mr. Chow's background, experience, and commitment to community service qualify him to be nominated for appointment and reappointment to the Motor Vehicle Industry Licensing Board as a public member. Your Committee notes that Mr. Chow is an attorney with almost thirty-five years of experience; is a partner, director, and shareholder and the founder of his firm, The Pacific Law Group, ALC; and is an arbitrator with the Hawaii Court Annexed Arbitration Program. Mr. Chow is also active within his profession and the community, including his current service on the Board of Directors of the Hawaii State Bar Association and previous service as a board member for Prevent Child Abuse Hawaii and Friends of Hickam, Inc. Your Committee further finds that Mr. Chow has a thorough understanding of the role and responsibilities of board members by virtue of his prior service and leadership experience as a member of the Motor Vehicle Repair Industry Board, where he served as Chair, and the State Board of Chiropractic Examiners, where he served as Vice-Chair. Your Committee therefore recommends that Mr. Chow be appointed and reappointed to the Motor Vehicle Industry Licensing Board based on his knowledge, background, and dedication to serving his community.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3608 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 767 and 768

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF ACUPUNCTURE

G.M. No. 767 ELLEN ROOS-MARR, for a term to expire 06-30-2016; and

G.M. No. 768 ELLEN ROOS-MARR, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Ellen Roos-Marr to possess the requisite qualifications to be nominated to the Board of Acupuncture.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Ellen Roos-Marr from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Ms. Roos-Marr's background and desire to serve the community qualify her to be nominated for appointment and reappointment to the Board of Acupuncture as a public member. Your Committee notes that Ms. Roos-Marr is a speech language pathologist with over thirty years of experience in her field and has spent her career helping patients of all ages. Ms. Roos-Marr began her career working with adults at the Rehabilitation Hospital of the Pacific, followed by many years working with students at various Department of Education schools in Kailua before entering private practice in 2014. Your Committee further finds that Ms. Roos-Marr has a thorough understanding of the role and responsibilities of board members and her ability to provide insight from a consumer's perspective will be a valuable asset to the Board of Acupuncture. Your Committee therefore recommends that Ms. Roos-Marr be appointed and reappointed to the Board of Acupuncture based on her professional background, experience, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3609 Housing on Gov. Msg. No. 608

Recommending that the Senate advise and consent to the nomination of the following:

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

G.M. No. 608 WEI FANG, for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Wei Fang to possess the requisite qualifications to be nominated to the Hawaii Community Development Authority (HCDA).

Your Committee received testimony in support of the nomination of Wei Fang from the Department of Business, Economic Development, and Tourism; DOCOMOCO Hawaii; Historic Hawai'i Foundation; Wai'anae Community Re-Development Corporation; City and County of Honolulu Councilmember Trevor Ozawa; and eleven individuals.

Your Committee finds that Ms. Fang is presently the Interim Director at the University of Hawaii Art Gallery and Founder and Director for Interisland Terminal. She has previous work experience as a Project Manager and Consultant at the Judd Foundation, Business Manager for Philips de Pury & Co., and Curator of Education at the Contemporary Museum in Honolulu. Ms. Fang is active in the community, owning and operating a small business in Kaka'ako, volunteering at Kako'o 'Oiwī, and serving as an Interim Member of HCDA since 2015. In her personal statement, Ms. Fang indicated that she finds great joy and challenge in service and community work and looks forward to making contributions to the Kaka'ako, He'eia, and Kalaeloa communities. Your Committee finds that Ms. Fang's past experiences as a business owner, educator, and community member, as well as her commitment to serving the public, will be great assets to the HCDA.

As affirmed by the record of votes of the members of your Committee on 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, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 3610 Housing on Gov. Msg. Nos. 609, 610, and 611

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. 609 EN YOUNG, for a term to expire 06-30-2019;
G.M. No. 610 GEORGE DE MELLO, for a term to expire 06-30-2016; and
G.M. No. 611 GEORGE DE MELLO, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds En Young and George De Mello to possess the requisite qualifications to be nominated to the Board of Directors of the Hawaii Public Housing Authority.

EN YOUNG

Your Committee received testimony in support of the nomination for the appointment of Mr. Young from the Department of Human Services, Hawaii Public Housing Authority, and Representative Clift Tsuji.

Your Committee finds that Mr. Young is presently the Executive Director at The Food Basket and has previous work experience as a Contract, Performance, and Evaluation Administrator and Program Specialist for the Department of Labor and Industrial Relations. Mr. Young is active in the community, serving on the Community Council on Purchase of Health and Human Services, Board of Directors for the Hawaii County Economic Opportunity Council, and Mayor's Active Living Advisory Council. Mr. Young indicated in his personal statement that he believes he has the experience and capability to beneficially serve the residents of Hawaii County and the people of the State. Mr. Young further indicated that he hopes for the opportunity to bring new networks to the Board of Directors of the Hawaii Public Housing Authority, provide more informed discussion, and represent the island of Hawaii well. Your Committee therefore finds that Mr. Young's dedication to public service, as well his past experiences serving and understanding residents through food bank services, will be great assets to the Board of Directors of the Hawaii Public Housing Authority.

GEORGE DE MELLO

Your Committee received testimony in support of the nomination for the appointment and reappointment of Mr. De Mello from the Department of Human Services, Hawaii Public Housing Authority, and Representative Clift Tsuji.

Your Committee finds that Mr. De Mello is presently a Concierge at Sig Zane Designs and Owner-Creator and Designer at Hey George – Sewing. Mr. De Mello's past work experience includes serving as a Manager of Host International and Banquet Head at Waiakea Village. Mr. De Mello is an active member of the community, serving as a volunteer at the Merrie Monarch Festival since 1975 and as President of the Lanakila Residents Association since 2005. He also served as a Scoutmaster for Troop 65 of the Boy Scouts of America. Mr. De Mello indicated in his personal statement that he hopes to share the many problems that tenants of public housing face with the Board of the Directors of the Hawaii Public Housing Authority, as well as help tenants understand the limitations of the Hawaii Public Housing Authority. Your Committee therefore finds that Mr. De Mello's understanding and familiarity on issues related to public housing, as well as his commitment to service, will be great assets of the Board of Directors of the Hawaii Public Housing Authority.

As affirmed by the records of votes of the members of your Committee on 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, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 3611 Housing on Gov. Msg. No. 868

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. 868 LISA DARCY, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Lisa Darcy to possess the requisite qualifications to be nominated for reappointment to the Board of Directors of the Hawaii Public Housing Authority.

Your Committee received testimony in support of the nomination for the reappointment of Ms. Darcy from the Department of Human Services, Hawaii Public Housing Authority, and four individuals.

Your Committee finds that Ms. Darcy is presently a Consultant at Ho'omoana, a non-profit, private operating foundation that delivers direct and indirect services to homeless community applicants with addiction and mental health needs. Her past work experience includes serving as the Executive Director at Ho'omoana, Patient Services Representative Coordinator at Mental Health Kookua, Inc., and Clubhouse and Patient Services Representative Coordinator for the Hale O Lanakila Clubhouse at Wailuku

Community Mental Health Center. Ms. Darcy is an active member of the community, currently serving as a Member of the Board of Directors for the Hawaii Public Housing Authority and Haiku Community Association and as Membership Chair of the Maui Homeless Alliance. In her personal statement, Ms. Darcy indicated that she hopes to continue to be highly engaged in the conversation surrounding safe and affordable housing for all of Hawaii residents, especially those in need. Your Committee finds that Ms. Darcy's work experience within her community, as well as her proven leadership, will continue to be great assets to the Board of Directors of the Hawaii Public Housing Authority.

As affirmed by the record of votes of the members of your Committee on 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, 3 (Green, Harimoto, Slom).

SCRep. 3612 Public Safety, Intergovernmental, and Military Affairs on H.C.R. No. 85

The purpose and intent of this measure is to request the establishment of a task force to:

- (1) Study effective incarceration policies in Hawaii and other jurisdictions; and
- (2) Suggest improvements for Hawaii's correctional system, including recommendations for design of future correctional facilities.

Your Committee received testimony in support of this measure from the Judiciary, Department of Public Safety, Hawaii Paroling Authority, Office of Hawaiian Affairs, The CHOW Project, Community Alliance on Prisons, and ten individuals.

Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee believes that the planned relocation of the Oahu Community Correctional Center provides a timely opportunity for public safety stakeholders to evaluate Hawaii's correctional system. Your Committee finds that Hawaii's criminal justice system could benefit from the implementation of effective incarceration policies, programs, and best practices that are designed to reduce correctional spending, alleviate inmate overcrowding at correctional facilities, lower recidivism, and address other challenges. Your Committee believes that a study that identifies and analyzes the effective incarceration policies in other jurisdictions would provide Hawaii with solutions to improve its correctional system.

Your Committee has amended this measure by:

- (1) Adding the Chairperson of the Board of Trustees of the Office of Hawaiian Affairs, or the Chairperson's designee, to the task force;
- (2) Clarifying that the Director of Public Safety is to appoint two former prison inmates, one male and one female, to serve on the task force;
- (3) Requiring the task force to submit a report of its findings and recommendations to the Legislature prior to the Regular Session of 2018, rather than the Regular Session of 2017;
- (4) Requiring that, before August 1, 2017, the task force submit a draft of the report to the Legislative Reference Bureau, including any other information and materials deemed necessary by the Bureau for the preparation of the final report; and
- (5) 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 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. 85, H.D. 2, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 85, H.D. 2, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 3613 Education on Gov. Msg. Nos. 605 and 606

Recommending that the Senate advise and consent to the nominations of the following:

EARLY LEARNING ADVISORY BOARD

G.M. No. 605 MICHAEL FAHEY, for a term to expire 06-30-2016; and

G.M. No. 606 MICHAEL FAHEY, for a term to expire 06-30-2020 (term amended to 6-30-2019 by GM649)

Your Committee has reviewed the personal history, resume, and personal statement submitted by the nominee and finds Michael Fahey to possess the requisite qualifications to be nominated for appointment and reappointment to the Early Learning Advisory Board.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Michael Fahey from the Executive Office on Early Learning, Early Learning Advisory Board, Hawaii Children's Action Network, and one individual.

Upon review of the testimony, your Committee finds that Mr. Fahey's professional experience, background, and commitment to public service qualify him for nomination for appointment and reappointment to the Early Learning Advisory Board. Your Committee notes that Mr. Fahey has more than forty years of experience as a special education teacher and school administrator. Mr. Fahey has also served the Department of Education for seventeen years as the State 619 Coordinator for Preschool Special Education Programs and was one of the original members of the State of Hawaii Interagency Transition Team for STEPS (Sequenced Transition of

Education into the Public Schools). Your Committee further finds that Mr. Fahey's experience and dedication to the needs of Hawaii's students will be great assets to the Early Learning Advisory Board.

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 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 (Harimoto, Kahele, Slom).

SCRep. 3614 Education on H.C.R. No. 103

The purpose and intent of this measure is to request the Department of Education to establish a task force to reintroduce vocational programs at public schools.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, Hawaii Laborers International Union of North America Local 368, IMUAlliance, Hawaii Island School Garden Network, and three individuals.

Your Committee finds that vocational education programs are extremely valuable for many of Hawaii's students. A majority of all current job openings, locally and nationally, are for positions that do not require a college degree. Vocational programs at schools provide valuable vocational skills to students while helping to maintain the infrastructure of Hawaii's schools. This measure will help identify appropriate vocational programs, develop vocational curricula, and identify any barriers to reintroducing vocational programs in Hawaii's public 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 H.C.R. No. 103, and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 3615 Education on H.C.R. No. 137

The purpose and intent of this measure is to request the Department of Education to affirm its commitment to uphold the tenets of Title IX of the Education Amendment Act of 1972.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deleted its content and inserted language to request the Department of Education to convene a working group to review after-school programs in Hawaii's public middle and intermediate schools.

Your Committee received testimony in support of the proposed S.D. 1 from After-School All-Stars Hawaii, Hawaii Afterschool Alliance, and seven individuals. Your Committee received comments on the proposed S.D. 1 from the Department of Education, Department of Human Services, and Office of Youth Services.

Your Committee finds that middle and intermediate school students often lack opportunities for safe and structured activities after school. This lack of activities has an especially negative impact on students from low-income families in which parents must often work long hours that keep those parents from being at home after school hours. Your Committee further finds that the Department of Education established the After-School Plus Program in 1990 to provide after-school care, including enrichment activities and supervised recreational activities, until 5:30 p.m. at more than one hundred-ninety participating schools. This program is open to elementary school students whose parents work, attend school, or participate in job-training programs, but no similar program exists for students in middle and intermediate public schools.

Your Committee has amended this measure by adopting the proposed S.D. 1.

Your Committee notes that the perspective of additional non-profit groups that are actively engaged in after school programing would be valuable to the working group and such non-profit groups may be better equipped to convene the working group. As such, your Committee requests that should your Committee on Ways and Means consider this measure for passage, that two representatives from such non-profit groups be added to the working group and that the Hawaii Afterschool Alliance convene the working group.

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. 137, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as H.C.R. No. 137, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 3616 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. Nos. 856, 857, and 858

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE PACIFIC INTERNATIONAL SPACE CENTER FOR EXPLORATION SYSTEMS

G.M. No. 856 KIM BINSTED, for a term to expire 06-30-2020;

G.M. No. 857 KRIS ZACNY, for a term to expire 06-30-2019; and

G.M. No. 858 PATRICK SULLIVAN, for a term to expire 06-30-2018

Your Committee has reviewed the resumes submitted by the nominees and finds Dr. Kim Binsted, Dr. Kris Zacny, and Dr. Patrick Sullivan to possess the requisite qualifications to be nominated to the Board of Directors of the Pacific International Space Center for Exploration Systems.

KIM BINSTED

Your Committee received testimony in support of the nomination for the appointment of Dr. Kim Binsted from the Department of Business, Economic Development, and Tourism.

Upon review of the testimony, your Committee finds that Dr. Binsted's experience as a professor in the Information and Computer Sciences Department at the University of Hawaii, as well as her extensive work on collaborative projects with NASA, qualify her for nomination to the Board of Directors of the Pacific International Space Center for Exploration Systems. Your Committee notes that Dr. Binsted's research focuses on artificial intelligence, human-computer interfaces, and long-duration human space exploration. She has served in a principal role on numerous collaborative projects between the University of Hawaii and NASA in the area of human space exploration. Your Committee finds that Dr. Binsted's extensive leadership experience with and broad knowledge of space-related research and development programs will be a great asset to the Board of Directors of the Pacific International Space Center for Exploration Systems.

KRIS ZACNY

Your Committee received testimony in support of the nomination for the appointment of Dr. Kris Zacny from the Department of Business, Economic Development, and Tourism.

Upon review of the testimony, your Committee finds that Dr. Zacny's extensive experience and expertise in the fields of robotics and engineering qualify him for nomination to the Board of Directors of the Pacific International Space Center for Exploration Systems. Your Committee notes that Dr. Zacny is currently Vice President and Director of Exploration Technology Group at Honeybee Robotics. Dr. Zacny's professional expertise includes robotic terrestrial and extraterrestrial drilling, excavation, sample handling and processing, geotechnical systems, and sensors. Dr. Zacny has served as principal investigator or co-investigator on more than seventy NASA and Department of Defense funded projects. Your Committee finds that Dr. Zacny's extensive research experience in robotics and engineering, and broad knowledge of federally funded space-related research and development programs will be great assets to the Board of Directors of the Pacific International Space Center for Exploration Systems.

PATRICK SULLIVAN

Your Committee received testimony in support of the nomination for the appointment of Dr. Patrick Sullivan from the Department of Business, Economic Development, and Tourism; and Chamber of Commerce Hawaii.

Upon review of the testimony, your Committee finds that Dr. Sullivan's experience as an entrepreneur and technology developer qualifies him for nomination to the Board of Directors of the Pacific International Space Center for Exploration Systems. Your Committee notes that Dr. Sullivan founded Oceanit – a self-funded research and development technology incubator that has developed extensive technical infrastructure in Hawaii. Dr. Sullivan has significant experience on boards and commissions, including former board seats on the Ocean Research Advisory Panel, Parker Ranch, and the High Technology Development Corporation. Your Committee finds that Dr. Sullivan's extensive entrepreneurial, business, and scientific experiences will be great assets to the Board of Directors of the Pacific International Space Center for Exploration Systems.

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 (Slom).

SCRep. 3617 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. Nos. 784, 785, 786, 787, 788, 789, 804, and 820

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI'I AEROSPACE ADVISORY COMMITTEE

- G.M. No. 784 JAMES PASQUINO, for a term to expire 06-30-2017;
- G.M. No. 785 STEVEN SKLADANEK, for a term to expire 06-30-2017;
- G.M. No. 786 REID NOGUCHI, for a term to expire 06-30-2017;
- G.M. No. 787 STEWART BURLEY, for a term to expire 06-30-2017;
- G.M. No. 788 SANDRA RYAN, for a term to expire 06-30-2019;
- G.M. No. 789 MICHAEL BRUNO, for a term to expire 06-30-2017;
- G.M. No. 804 JACQUELINE HOOVER, for a term to expire 06-30-2017; and
- G.M. No. 820 PETER QUIGLEY, for a term to expire 06-30-2019

Your Committee has reviewed the resumes submitted by the nominees and finds James Pasquino, Steve Skladanek, Reid Noguchi, Stewart Burley, Sandra Ryan, Dr. Michael Bruno, Jacqueline Hoover, and Dr. Peter Quigley to possess the requisite qualifications to be nominated to the Hawai'i Aerospace Advisory Committee.

JAMES PASQUINO

Your Committee received testimony in support of the nomination for the appointment of James Pasquino from the Department of Business, Economic Development, and Tourism; and Lockheed Martin.

Upon review of the testimony, your Committee finds that Mr. Pasquino's service in the United States Air Force, experience in the aerospace industry, commitment to public service, and proven leadership ability qualify him for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that Mr. Pasquino served in the United States Air Force in diverse tours of duty for more than twenty-five years. Since 2006, he has been the Director of the Honolulu Field Office for Boeing Defense, Space, and Security. Your Committee finds that Mr. Pasquino's long history of service in the United States military, as well as his deep connections with the aerospace and defense industries in Hawaii, will be great assets to the Hawai'i Aerospace Advisory Committee.

STEVEN SKLADANEK

Your Committee received testimony in support of the nomination for the appointment of Steven Skladanek from the Department of Business, Economic Development, and Tourism; and Lockheed Martin.

Upon review of the testimony, your Committee finds that Mr. Skladanek's extensive experience in the aerospace industry and expertise in aerospace technology qualify him for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that Mr. Skladanek has more than thirty years of experience in the aerospace industry, including launch operations for both crewed and expendable systems; launch systems design, manufacture, test, and integration; and other areas. Mr. Skladanek is currently President for Lockheed Martin's Commercial Launch Services Program, where he oversees development of customized space launch solutions for international commercial and institutional customers. Your Committee finds that Mr. Skladanek's extensive and diversified experience will be a great asset to the Hawai'i Aerospace Advisory Committee.

REID NOGUCHI

Your Committee received testimony in support of the nomination for the appointment of Reid Noguchi from the Department of Business, Economic Development, and Tourism; and Lockheed Martin.

Upon review of the testimony, your Committee finds that Mr. Noguchi's experience in the aerospace and defense industries, as well as his technical and engineering expertise, qualify him for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that Mr. Noguchi is General Manager of BAE Systems Spectral Solutions in Honolulu, as well as Program Manager for more than \$35 million in contracts with the United States Navy. Mr. Noguchi has more than fifteen years of experience in the aerospace industry and has engaged in extensive aerospace research developing commercial communications satellites and airborne remote sensing systems. Your Committee finds that Mr. Noguchi's experience and extensive expertise will be great assets to the Hawai'i Aerospace Advisory Committee.

STEWART BURLEY

Your Committee received testimony in support of the nomination for the appointment of Stewart Burley from the Department of Business, Economic Development, and Tourism; and Lockheed Martin.

Upon review of the testimony, your Committee finds that Mr. Burley's service in the United States Navy, dedication to advancing technological innovation in Hawaii, and leadership abilities qualify him for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that during Mr. Burley's time in the Navy, he helped open the Pacific Missile Range Facility and enabled the first RimPac exercise in the Pacific. Mr. Burley is the Associate Director of the University of Hawaii's Space Flight Laboratory, where he has helped lead efforts to enable the first cubesat launches to space from Hawaii. Your Committee finds that Mr. Burley's extensive experience and expertise will be great assets to the Hawai'i Aerospace Advisory Committee.

SANDRA RYAN

Your Committee received testimony in support of the nomination for the appointment of Sandra Ryan from the Department of Business, Economic Development, and Tourism; and Lockheed Martin.

Upon review of the testimony, your Committee finds that Ms. Ryan's extensive experience and expertise with economic development issues in Hawaii and the role space-related technology can play in expanding and diversifying the State's economic base qualify her for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that Ms. Ryan has worked for the Maui Economic Development Board for more than twenty-five years, and is currently the Board's Program Director. In that capacity, Ms. Ryan has served as chief organizer for the annual Advanced Maui Optical and Space Surveillance Technologies Conference - the premier technical symposium in the field of space situational awareness. Your Committee finds that Ms. Ryan's experience as a leader in the aerospace industry will be a great asset to the Hawai'i Aerospace Advisory Committee.

MICHAEL BRUNO

Your Committee received testimony in support of the nomination for the appointment of Dr. Michael Bruno from the Department of Business, Economic Development, and Tourism; and Lockheed Martin.

Upon review of the testimony, your Committee finds that Dr. Bruno's extensive professional experience in ocean observation systems and maritime security, expertise in aerospace science and technology, and commitment to advancing the state of technological and engineering research qualify him for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that Dr. Bruno is the Vice Chancellor for Research at the University of Hawaii at Manoa, and that he is the author or coauthor of more than one hundred books, articles, and studies in oceanography, maritime commerce and engineering, and related fields. Dr. Bruno has also participated on numerous advisory committees and boards, and serves as Editor-in-Chief of the Journal of Marine Environmental Engineering. Your Committee finds that Dr. Bruno's broad expertise in science and technology fields and extensive history of service on national boards and committees will be great assets to the Hawai'i Aerospace Advisory Committee.

JACQUELINE HOOVER

Your Committee received testimony in support of the nomination for the appointment of Jacqueline Hoover from the Department of Business, Economic Development, and Tourism; and Lockheed Martin.

Upon review of the testimony, your Committee finds that Ms. Hoover's extensive professional experience, strong leadership abilities, and commitment to public service qualify her for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that Ms. Hoover currently serves as Executive Director and Chief Operating Officer for the Hawaii Island Economic Development Board, as well as President and Chief Executive Officer for the Hawaii Leeward Planning Conference. Ms. Hoover has served on numerous state and county committees and boards during her more than thirty-five year career, including the Hawai'i Aerospace Advisory Committee. Your Committee finds that Ms. Hoover's executive leadership experience and broad knowledge of economic development issues and opportunities will be great assets to the Hawai'i Aerospace Advisory Committee.

PETER QUIGLEY

Your Committee received testimony in support of the nomination for the appointment of Dr. Peter Quigley from the Department of Business, Economic Development, and Tourism; Lockheed Martin; and Chamber of Commerce Hawaii.

Upon review of the testimony, your Committee finds that Dr. Quigley's experience in academic research, as well as his extensive work advancing innovation in higher education, qualify him for nomination to the Hawai'i Aerospace Advisory Committee. Your Committee notes that Dr. Quigley has been active in higher education and academic research as a scholar for more than fifteen years. Dr. Quigley currently serves as the University of Hawaii Community Colleges' Associate Vice President for Academic Affairs. Your Committee finds that Dr. Quigley's extensive leadership experience with and broad knowledge of university-based research and development programs will be a great asset to the Hawai'i Aerospace Advisory Committee.

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 (Slom).

SCRep. 3618 Public Safety, Intergovernmental, and Military Affairs on Gov. Msg. No. 793

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I ADVISORY COUNCIL ON EMERGENCY MANAGEMENT

G.M. No. 793 JAN TENBRUGGENCATE, for a term to expire 06-30-2020

Your Committee has reviewed the resume submitted by the nominee and finds Jan TenBruggencate to possess the requisite qualifications to be nominated for reappointment to the Hawai'i Advisory Council on Emergency Management.

Your Committee received testimony in support of the nomination for the reappointment of Jan TenBruggencate from the Department of Defense, Hawaii Emergency Management Agency, Hawai'i Advisory Council on Emergency Management, and two individuals.

Upon review of the testimony, your Committee finds that Mr. TenBruggencate's experience as a veteran journalist and his extensive knowledge and background qualify him for nomination for reappointment to the Hawai'i Advisory Council on Emergency Management. Your Committee notes that Mr. TenBruggencate has served on the Advisory Council for one term already as the Kauai representative. Mr. TenBruggencate is an experienced and award-winning journalist, author, and public relations professional who has written numerous books with Hawaiian themes after his retirement from The Honolulu Advertiser. Your Committee finds that Mr. TenBruggencate's extensive knowledge and background will continue to be great assets to the Hawai'i 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 (Slom).

SCRep. 3619 Housing on Gov. Msg. Nos. 538, 621, and 622

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. 538 MILO SPINDT, for a term to expire 06-30-2018;

G.M. No. 621 AUDREY ABE, for a term to expire 06-30-2020; and

G.M. No. 622 LEILANI PULMANO, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Milo Spindt, Audrey Abe, and Leilani Pulmano to possess the requisite qualifications to be nominated to the Board of Directors of the Hawaii Housing Finance and Development Corporation.

MILO SPINDT

Your Committee received testimony in support of the nomination for the appointment of Milo Spindt from the Department of Business, Economic Development, and Tourism; Board of Directors of the Hawaii Housing Finance and Development Corporation; Kauai County Housing Agency; Mayor Bernard Carvalho, Jr.; and Representative Derek Kawakami.

Your Committee finds that Mr. Spindt is presently a private Real Estate Broker and Property Manager, Firefighter for the Kauai Fire Department, and part-time Emergency Medical Technician – Basic for American Medical Response Hawaii. He also has previous work experience as a Kauai District Land Agent for the Department of Land and Natural Resources and Founder and President of Housing For All, Inc. Mr. Spindt has demonstrated his willingness to serve the public through his past involvement in the Spokane Association of REALTORS, Nevada Association of REALTORS, Reno-Sparks Association of REALTORS, and Kauai Board of REALTORS, and is currently serving on the Board of Directors of the Hawaii Housing Finance and Development Corporation as an Interim Member. In his personal statement, Mr. Spindt indicated that his past work experience in the private sector and state government have given him a unique insight into the market demands for affordable housing and the complex issues involved in developing and subsidizing housing projects. Your Committee finds that Mr. Spindt's background in real estate, as well as his dedication to public service, will continue to be great assets to the Board of Directors of the Hawaii Housing Finance and Development Corporation.

AUDREY ABE

Your Committee received testimony in support of the nomination for reappointment of Audrey Abe from the Department of Business, Economic Development, and Tourism; and Board of Directors of the Hawaii Housing Finance and Development Corporation.

Your Committee finds that Ms. Abe is a Certified Public Accountant, Certified General Appraiser, Owner of ABE APPRAISALS LLC, and President of S&L Global Inc. Her professional work experience includes working with the United States Department of Housing and Urban Development, Hawaii Government Employees Association, Department of Land and Natural Resources, Veterans Administration offices in Hawaii, Hawaii Housing Authority, and the City and County of Honolulu's Department of Housing and Community Development. Ms. Abe is active in the community as she currently serves on the Board of Directors of the Hawaii Housing Finance and Development Corporation and has served as a Board Member on the Board of Taxation Review. Ms. Abe indicated in her personal statement that she is concerned about the high cost of real estate and lack of affordable homes and understands the Hawaii Housing Finance and Development Corporation's role of overseeing affordable housing and elderly housing development in the State. Your Committee finds that Ms. Abe's professional background as a real estate appraiser and public accountant, as well as her willingness to serve, will continue to be great assets to the Board of Directors of the Hawaii Housing Finance and Development Corporation.

LEILANI PULMANO

Your Committee received testimony in support of the nomination for reappointment of Leilani Pulmano from the Department of Business, Economic Development, and Tourism; and Board of Directors of the Hawaii Housing Finance and Development Corporation.

Your Committee finds that Ms. Pulmano is presently a Project Manager at Munekiyo and Hiraga, Inc., and has extensive land use planning, community design, permitting experience, and business experience, having worked as a Development Coordinator for Maui Land and Pineapple Company, Inc., and Manager for Hyatt Hotels and Resorts. Ms. Pulmano is presently the Chair of the Board of Directors of the Hawaii Housing Finance and Development Corporation and has served on the Board since 2012. In her personal statement, Ms. Pulmano indicated that her past work experience allows her to understand the challenging development and financing processes that developers go through in order to produce affordable housing in Hawaii. She also noted that she hopes the Board of Directors of the Hawaii Housing Finance and Development Corporation will examine policies to help working families move into homeownership, freeing up existing rental units. Your Committee finds that Ms. Pulmano's proven leadership in revising the Qualified Allocation Plan in a timely manner, as well as her experience in project management, planning, and mixed-use community design and permitting, will continue to be great assets to the Board of Directors of the Hawaii Housing Finance and Development Corporation.

As affirmed by the records of votes of the members of your Committee on 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, 5. Noes, none. Excused, 2 (Wakai, Slom).

SCRep. 3620 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 747 and 772

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF VETERINARY EXAMINERS

G.M. No. 747 LEIANNE LEE LOY, for a term to expire 06-30-2019; and

G.M. No. 772 ALICIA MALUAFITI, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Leianne Lee Loy and Alicia Maluafiti to possess the requisite qualifications to be nominated to the Board of Veterinary Examiners.

LEIANNE LEE LOY

Your Committee received testimony in support of the nomination for the appointment of Leianne Lee Loy from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Dr. Lee Loy's knowledge, background, and commitment to public service qualify her to be nominated for appointment to the Board of Veterinary Examiners as a licensee member. Your Committee notes that Dr. Lee Loy has been a licensed veterinarian in Hawaii for twenty years, is currently the Medical Director for the VCA University Animal Hospital, and frequently assists the Molokai Humane Society with relief work and population control through the Society's spay and neuter program. Dr. Lee Loy is also familiar with alternative forms of treatment as a certified veterinary acupuncturist and has expressed an interest in traditional Chinese veterinary medicine. Your Committee further finds that Dr. Lee Loy is active in her professional organizations, the Hawaii Veterinary Medical Association and Honolulu Veterinary Society, where she has held a variety of leadership positions, including serving as past President for both organizations and as an Alternate Delegate to the American Veterinary Medical Association. Your Committee further finds that Dr. Lee Loy has a thorough understanding of the role and responsibilities of board members and therefore recommends that Dr. Lee Loy be appointed to the Board of Veterinary Examiners based on her background, experience, and dedication to serving the community.

ALICIA MALUAFITI

Your Committee received testimony in support of the nomination for the appointment of Alicia Maluafiti from the Department of Commerce and Consumer Affairs, Hawaii Farm Bureau, and twenty-three individuals. Your Committee received testimony in opposition to the nomination for the appointment of Alicia Maluafiti from one individual.

Upon review of the testimony, your Committee finds that Ms. Maluafiti's background, commitment to public service, and dedication to animal welfare qualify her to be nominated for appointment to the Board of Veterinary Examiners as a public member. Your Committee notes that Ms. Maluafiti has more than twenty years of experience in community and government relations and is the owner of Lo'ihii Communications. Ms. Maluafiti has been involved with animal rescue for more than two decades, and is the founder and former President of the Oahu Society for the Prevention of Cruelty to Animals; former Director of Community Relations of the Hawaiian Humane Society; and founder and President of Poi Dogs & Popoki, a nonprofit organization dedicated to improving the quality of life for dogs and cats. Through her work with Poi Dogs & Popoki, Ms. Maluafiti works closely with veterinarians and veterinarian clinics to support the organization's mobile spay and neuter clinic and provide direct care to rescued animals. Your Committee further finds that Ms. Maluafiti has a thorough understanding of the role and responsibilities of board members and therefore recommends that Ms. Maluafiti be appointed to the Board of Veterinary Examiners based on her experience, commitment to serving the community, and passion for animals.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3621 Commerce, Consumer Protection, and Health on Gov. Msg. No. 752

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PSYCHOLOGY

G.M. No. 752 SHERRY SUTHERLAND-CHOY, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Sherry Sutherland-Choy to possess the requisite qualifications to be nominated for appointment to the Board of Psychology.

Your Committee received testimony in support of the nomination for the appointment of Sherry Sutherland-Choy from the Department of Commerce and Consumer Affairs, Hawai'i School of Professional Psychology at Argosy University, Waianae Coast Comprehensive Health Center, and one individual.

Upon review of the testimony, your Committee finds that Dr. Sutherland-Choy's background, experience, and dedication to community service qualify her to be nominated for appointment to the Board of Psychology as a psychologist member. Your Committee notes that Dr. Sutherland-Choy is a licensed psychologist, holds a doctoral degree in clinical psychology, and is also licensed as an advanced practice registered nurse with prescriptive authority. Dr. Sutherland-Choy has spent the majority of her professional life working in a variety of clinical settings, including working in psychiatric hospitals and community mental health facilities, performing psychopharmacology research, and teaching doctoral students. Dr. Sutherland-Choy has served a dual role as a family nurse practitioner and clinical psychologist for the Waianae Coast Comprehensive Health Center since 2013, where she has gained insight into the complex social issues that often impact mental health, and is also an adjunct instructor of psychopharmacology at the Hawaii School of Professional Psychology at Argosy University. Your Committee further finds that Dr. Sutherland-Choy has a thorough understanding of the role and responsibilities of board members and her clinical background and experience prescribing psychotropic medications will be a valuable asset to the Board of Psychology. Your Committee therefore recommends that Dr. Sutherland-Choy be appointed to the Board of Psychology based on her background, knowledge, and commitment to serving the public.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3622 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 755 and 756

Recommending that the Senate advise and consent to the nominations of the following:

STATE BOARD OF NURSING

G.M. No. 755 THOMAS JOSLYN, for a term to expire 06-30-2020; and

G.M. No. 756 GLENDA TALI, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Thomas Joslyn and Glenda Tali to possess the requisite qualifications to be nominated to the State Board of Nursing.

THOMAS JOSLYN

Your Committee received testimony in support of the nomination for the reappointment of Thomas Joslyn from the Department of Commerce and Consumer Affairs, Hawaii Association of Professional Nurses, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Joslyn's knowledge, background, and proven experience on the State Board of Nursing qualify him to be nominated for reappointment to the State Board of Nursing as a licensee member. Your Committee notes that Mr. Joslyn is an Advanced Practice Registered Nurse with over thirty-five years of experience in the nursing profession. Mr. Joslyn has spent the majority of his career in Nurse Anesthesiology and currently serves as a Staff Nurse Anesthetist at Tripler Army Medical Center, where he is also an adjunct professor at the United States Army School of Anesthesia, located at Tripler. Mr. Joslyn is also a current board member and past President of the Hawaii Association of Nurse Anesthetists, a member of the Hawaii State Center for Nursing Strategic Planning Committee, and a member of the State Board of Nursing Advanced Practice Registered Nurse Advisory Council. Your Committee further finds that Mr. Joslyn has been a member of the State Board of Nursing since July 2013, currently serves on the Board's Practice Committee, and remains actively involved with the National Council of State Boards of Nursing. Your Committee therefore recommends that Mr. Joslyn be reappointed to the State Board of Nursing based on his background, experience, and commitment to public service.

GLENDA TALI

Your Committee received testimony in support of the nomination for the reappointment of Glenda Tali 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. Tali's background, knowledge, and proven leadership on the State Board of Nursing qualify her to be nominated for reappointment to the State Board of Nursing as a licensee member. Your Committee notes that Ms. Tali has nearly thirty years' experience as a nurse and nurse practitioner and has been in nursing education for fifteen years. Ms. Tali currently serves as the Campus College Chair for the College of Nursing at the University of Phoenix's Hawaii campus and is a member of the American Organization of Nurse Executives and the Hawaii Association of Professional Nurses. Ms. Tali has been a member of the State Board of Nursing since July 2013, currently serves as the Board's Vice-Chairperson and Chair of the Board's Education Committee, and remains actively involved with the National Council of State Boards of Nursing. Your Committee further finds that Ms. Tali was also accepted into the Institute of Regulatory Excellence Fellowship program through the National Council of State Boards of Nursing, and her research in this program regarding simulation use in Hawaii's schools of nursing will provide valuable information to the Board. Your Committee therefore recommends that Ms. Tali be reappointed to the State Board of Nursing based on her knowledge, experience, and dedication to serving her community.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3623 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 757 and 758

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON MENTAL HEALTH

G.M. No. 757 CIARA KAHAHANE, for a term to expire 06-30-2016; and

G.M. No. 758 CIARA KAHAHANE, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Ciara Kahahane to possess the requisite qualifications to be nominated for appointment and reappointment to the State Council on Mental Health.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Ciara Kahahane from the Department of Health, National Alliance on Mental Illness Hawaii, and four individuals.

Your Committee finds that Ms. Kahahane is presently a student at the University of Hawaii at Manoa pursuing a Bachelor of Arts degree in Hawaiian Studies. She has taken the initiative to found and serve as Executive Director for the National Alliance on Mental Illness On Campus at the University of Hawaii at Manoa, which brings awareness to mental health services and support groups on campus. Ms. Kahahane has also been active with the National Alliance on Mental Illness Hawaii as a Volunteer, Chair of the Volunteer Committee, and Co-Chair for the Public Relations Committee for the National Alliance on Mental Illness Walk. Ms. Kahahane indicated in her personal statement that she wants to find ways to make it easier for Hawaii residents with a mental illness to receive the help they need, make private health care more accessible, and make public health care more effective. Your Committee finds that

Ms. Kahahane's proven leadership, as well as her passion and dedication to serving the public, will be great assets to the State Council on Mental Health.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3624 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 759, 760, and 761

Recommending that the Senate advise and consent to the nominations of the following:

STATEWIDE HEALTH COORDINATING COUNCIL

G.M. No. 759 JOSEPH BURKE, for a term to expire 06-30-2020;

G.M. No. 760 ORIANNA SKOMOROCH, for a term to expire 06-30-2016; and

G.M. No. 761 ORIANNA SKOMOROCH, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Joseph Burke and Orianna Skomoroch to possess the requisite qualifications to be nominated to the Statewide Health Coordinating Council.

JOSEPH BURKE

Your Committee received testimony in support of the nomination for the appointment of Joseph Burke from the State Health Planning and Development Agency.

Your Committee finds that Mr. Burke is presently a District Business Manager for Pfizer/Wyeth and has worked in the pharmaceutical industry for over twenty years. Mr. Burke also has past work experience as an Area Account Manager for Wyeth, Account Manager for ICL/Fujitsu, and Marketing Specialist for IBM. Mr. Burke is active in the community, presently serving as Vice-Chair of the Health Planning Council, Honolulu Subarea. Mr. Burke indicated in his personal statement that he believes his experience working with health care providers and his educational background provide him with unique insight into the State Health Planning and Development Agency's goals to promote accessibility to quality health care services at reasonable cost for Hawaii's residents. Your Committee finds that Mr. Burke's background in the pharmaceutical industry, as well as his dedication to public service, will be great assets to the Statewide Health Coordinating Council.

ORIANNA SKOMOROCH

Your Committee received testimony in support of the nomination for appointment and reappointment of Orianna Skomoroch from the State Health Planning and Development Agency and one individual.

Your Committee finds that prior to retirement, Ms. Skomoroch served as the Interim Chief Executive Officer for Orrie's Executive Management Services, LLC, Kauai Regional Chief Executive Officer for the Hawaii Health Systems Corporation, and Administrator for Kauai Veterans Memorial Hospital and Samuel Mahelona Hospital. Ms. Skomoroch is an active member of the community, presently serving on the Hale 'Opio Kauai, Inc., Board of Directors; Kauai Humane Society Board of Directors; and Health Planning Council, Kauai Subarea. Ms. Skomoroch indicated in her personal statement that her more than thirty years of experience in the health care industry provides her with an understanding of the importance of establishing systems that assist consumers and protect them from duplicative services and financial hardships. Your Committee finds that Ms. Skomoroch's extensive work experience, as well as her willingness to serve, will be great assets to the Statewide Health Coordinating Council.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3625 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 762 and 763

Recommending that the Senate advise and consent to the nominations of the following:

STATE BOARD OF PUBLIC ACCOUNTANCY

G.M. No. 762 TERRENCE ARATANI, for a term to expire 06-30-2019; and

G.M. No. 763 NELSON LAU, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Terrence Aratani and Nelson Lau to possess the requisite qualifications to be nominated to the State Board of Public Accountancy.

TERRENCE ARATANI

Your Committee received testimony in support of the nomination for the appointment of Terrence Aratani from the Department of Commerce and Consumer Affairs; Chamber of Commerce Hawaii; Honolulu Community Action Program, Inc.; Hawai'i Primary Care Association; and four individuals.

Upon review of the testimony, your Committee finds that Mr. Aratani's background, experience, and commitment to public service qualify him to be nominated for appointment to the State Board of Public Accountancy as a public member. Your Committee notes that Mr. Aratani is an attorney and the current Chief Executive Officer for Koolauloa Health Center and previously spent a number of years working in state government, first for the Insurance Division of the Department of Commerce and Consumer Affairs and later for the Hawaii State Senate, where he served in a variety of roles, including Staff Attorney, Committee Clerk, Legislative Aide, and finally, Chief of Staff for the Office of the Senate President. Mr. Aratani is dedicated to public service and has extensive experience serving on various boards, including the Honolulu Community Action Program, where he has held a number of leadership positions, including past board Chairperson and current Chairperson of the Audit Committee. Mr. Aratani also formerly served as Vice President for Waikiki Health and is the current board Secretary for the Hawaii State Federal Credit Union. Your Committee further finds that Mr. Aratani has a thorough understanding of the role and responsibilities of board members and therefore recommends that Mr. Aratani be appointed to the State Board of Public Accountancy based on his knowledge, experience, and dedication to community service.

NELSON LAU

Your Committee received testimony in support of the nomination for the reappointment of Nelson Lau from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Mr. Lau's knowledge, background, and proven leadership on the State Board of Public Accountancy qualify him to be nominated for reappointment to the State Board of Public Accountancy as a licensed and actively practicing Certified Public Accountant member. Your Committee notes that Mr. Lau has been a licensed Certified Public Accountant in Hawaii since 1989 and is the managing partner of the Honolulu office of KPMG LLP, where he has provided professional services to clients in the financial services, public utilities, airlines, state and local governments, educational institutions, and not-for-profit sectors. Your Committee finds that Mr. Lau has been a member of the State Board of Public Accountancy since July 2010, has been the Board's Chairperson for the last three years, and will be overseeing the implementation of the peer review requirements for Certified Public Accountant firms in Hawaii, which will be required for firm permits to practice renewals, beginning in 2017. Your Committee further finds that Mr. Lau's expertise and contributions to his profession continue to enhance the effectiveness of the Board and therefore recommends that Mr. Lau be reappointed to the State Board of Public Accountancy based on his background, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3626 Commerce, Consumer Protection, and Health on Gov. Msg. No. 769

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF NATUROPATHIC MEDICINE

G.M. No. 769 RODNEY CHUN, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Rodney Chun to possess the requisite qualifications to be nominated for reappointment to the Board of Naturopathic Medicine.

Your Committee received testimony in support of the nomination for the reappointment of Rodney Chun from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Dr. Chun's background, experience, and proven leadership on the Board of Naturopathic Medicine qualify him to be nominated for reappointment to the Board of Naturopathic Medicine as a licensee member. Your Committee notes that Dr. Chun has been licensed in Hawaii since 1970 and was originally on the Board in the 1970s and 1980s, when the field of naturopathic medicine was first beginning to expand in the State. Since that time, Dr. Chun has seen the regulation of naturopathic medicine in Hawaii develop and change, which has given him a unique ability to recognize the current and future needs of his profession. Your Committee further finds that Dr. Chun has served as a member of the Board of Naturopathic Medicine since July 2012 and the knowledge and expertise Dr. Chun has gained during his more than four decades of practice continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Chun be reappointed to the Board of Naturopathic Medicine based on his knowledge, background, and commitment to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3627 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 770 and 771

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF PHARMACY

G.M. No. 770 JULIE TAKISHIMA-LACASA, for a term to expire 06-30-2018; and

G.M. No. 771 RONALD WEINBERG, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Julie Takishima-Lacasa and Ronald Weinberg to possess the requisite qualifications to be nominated for appointment to the Board of Pharmacy.

JULIE TAKISHIMA-LACASA

Your Committee received testimony in support of the nomination for the appointment of Julie Takishima-Lacasa from the Department of Commerce and Consumer Affairs and three individuals.

Upon review of the testimony, your Committee finds that Dr. Takishima-Lacasa's background, experience, and commitment to public service qualify her to be nominated for appointment to the Board of Pharmacy as a public member. Your Committee notes that Dr. Takishima-Lacasa is a clinical psychologist in a fully integrated primary care setting in Waimanalo, where she works collaboratively with health service providers from many disciplines, including pharmacists, physicians, nurses, and community outreach workers. Dr. Takishima-Lacasa has spent the last decade working in federally-qualified community health centers, primary care clinics, and school settings in rural communities on Hawaii island, Lanai, and Oahu, which will bring a unique perspective to the Board of Pharmacy. Your Committee further finds that Dr. Takishima-Lacasa has served on multiple community boards, holds various leadership positions in her professional organizations, and has a thorough understanding of the role and responsibilities of board members. Your Committee therefore recommends Dr. Takishima-Lacasa be appointed to the Board of Pharmacy based on her knowledge, experience, and dedication to serving the community.

RONALD WEINBERG

Your Committee received testimony in support of the nomination for the appointment of Ronald Weinberg from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Mr. Weinberg's background, experience, and dedication to public service qualify him to be nominated for appointment to the Board of Pharmacy as a public member. Your Committee notes that Mr. Weinberg has an extensive background in the science field, where he first pursued his Master's degree in Zoology and Physiology at the age of nineteen. Mr. Weinberg later became a radiation scientist and worked at Oak Ridge Radiation and medical facilities for nearly thirty-five years and his science, radiopharmaceuticals, and communications background will bring a valuable perspective to Board of Pharmacy. Your Committee further finds that Mr. Weinberg also has leadership experience by virtue of his prior service on the Kailua Neighborhood Board and the Pest Control Board and has a thorough understanding of the role and responsibilities of board members. Your Committee therefore recommends that Mr. Weinberg be appointed to the Board of Pharmacy based on his knowledge, experience, and commitment to serving the community.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3628 Commerce, Consumer Protection, and Health on Gov. Msg. No. 773

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF BARBERING AND COSMETOLOGY

G.M. No. 773 LYNETTE MCKAY, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Lynette McKay to possess the requisite qualifications to be nominated for reappointment to the State Board of Barbering and Cosmetology.

Your Committee received testimony in support of the nomination for the reappointment of Lynette McKay from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Ms. McKay's knowledge, background, and prior experience on the State Board of Barbering and Cosmetology qualify her to be nominated for reappointment to the State Board of Barbering and Cosmetology as a beauty operator member. Your Committee notes that Ms. McKay has been licensed in Hawaii as a cosmetologist since 1967 and as a beauty instructor since 2001 and is currently an Assistant Professor of Cosmetology at Honolulu Community College. Ms. McKay is also an active member of the National Cosmetology Association, where she has held several leadership positions, including serving as the Honolulu Affiliate President and State President. Your Committee further finds that Ms. McKay has been a member of the State Board of Barbering and Cosmetology since July 2013 and her extensive knowledge of the beauty industry and experience as a cosmetologist practitioner and beauty instructor continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Ms. McKay be reappointed to the State Board of Barbering and Cosmetology based on her background, experience, and commitment to her profession.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3629 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 774 and 780

Recommending that the Senate advise and consent to the nominations of the following:

DISABILITY AND COMMUNICATION ACCESS BOARD

G.M. No. 774 MONTY ANDERSON-NITAHARA, for a term to expire 06-30-2020; and

G.M. No. 780 SUMMER KOZAI, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Monty Anderson-Nitahara and Summer Kozai to possess the requisite qualifications to be nominated to the Disability and Communication Access Board.

MONTY ANDERSON-NITAHARA

Your Committee received testimony in support of the nomination for the appointment of Monty Anderson-Nitahara from the Disability and Communication Access Board.

Your Committee finds that Mr. Anderson-Nitahara is presently a Paralegal at the Office of Disciplinary Counsel and has past work experience as a Legal Specialist in the Office of General Counsel for the United States Navy at Pearl Harbor Naval Shipyard and General Manager, Program Director, and Radio Personality for KTUH FM Honolulu. Mr. Anderson-Nitahara indicated in his personal statement that based on his background in law, which includes work related to the federal Rehabilitation Act and Americans with Disabilities Act, he hopes to facilitate change in awareness and policies, aid in helping others gain a clearer understanding of issues facing individuals with disabilities, and improve access for individuals with disabilities. Your Committee finds that Mr. Anderson-Nitahara's background in law, as well as his willingness to serve the public, will be great assets to the Disability and Communication Access Board.

SUMMER KOZAI

Your Committee received testimony in support of the nomination for the appointment of Summer Kozai from the Disability and Communication Access Board and one individual.

Your Committee finds that Ms. Kozai is presently a Senior Auditor for the United States Department of Defense Contract Audit Agency and has previous work experience as an Associate at Grant Thornton, LLP. According to testimony, Ms. Kozai participated on a panel hosted by the Disability and Communication Access Board at the 2016 State Department of Transportation's Civil Rights Symposium. Ms. Kozai indicated in her personal statement that she hopes to see tangible improvement in access for mobility-challenged persons and increased understanding of the role of service animals in the community. Your Committee finds that Ms. Kozai's experiences as an active member of the community and workforce as a mobility-impaired person with a service animal, as well as her professional background, will be great assets to the Disability and Communication Access Board.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3630 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 781 and 782

Recommending that the Senate advise and consent to the nominations of the following:

RADIOLOGIC TECHNOLOGY BOARD

G.M. No. 781 GARY ROPERT, for a term to expire 06-30-2019; and

G.M. No. 782 EDWIN MURANAKA, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Gary Ropert and Edwin Muranaka to possess the requisite qualifications to be nominated to the Radiologic Technology Board.

GARY ROPERT

Your Committee received testimony in support of the nomination for the reappointment of Gary Ropert from the Department of Health and one individual.

Your Committee finds that Mr. Ropert is presently a Manager and Director of Diagnostic Imaging at The Queen's Medical Center West O'ahu and has previous work experience as a Manager and Director of Diagnostic Imaging and Chief Nuclear Medicine Technologist at Wahiawa General Hospital. Mr. Ropert is familiar with the workings of the Radiologic Technology Board, as he previously served as a Member of the Board, and has extensive experience in the areas of medical imaging computers, health care information systems, computed tomography, and general radiography. In his personal statement, Mr. Ropert indicated that he hopes to better define the qualifications of those who perform computed tomography in the State. Your Committee finds that Mr. Ropert's expertise in radiation safety and use of imaging equipment involving ionizing radiation, as well as his dedication to public service, will be great assets to the Radiologic Technology Board.

EDWIN MURANAKA

Your Committee received testimony in support of the nomination for the appointment of Edwin Muranaka from the Department of Health and six individuals.

Your Committee finds that Dr. Muranaka is presently a Radiologist and Managing Partner of Hawaii Diagnostic Radiology Services, formerly known as Yeoh and Muranaka Radiology, and has practiced diagnostic radiology in Hawaii for nearly thirty years. According

to testimony, Dr. Muranaka is well-respected by his peers in the health care and radiology industry, continues to keep up with the latest advancements in technology, equipment, and techniques in radiology, and works and interacts with radiologic technologist students from Kapiolani Community College. In his personal statement, Dr. Muranaka indicated that the credentialing and regulation of licensing of radiology technologists involved in diagnostic radiology examinations and nuclear medicine examinations are critical. Your Committee finds that Dr. Muranaka's professional background as a radiology technologist, as well as his willingness to serve the public, will be great assets to the Radiologic Technology Board.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3631 Commerce, Consumer Protection, and Health on Gov. Msg. No. 799

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF CHIROPRACTIC EXAMINERS

G.M. No. 799 LAWRENCE REDMOND, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Lawrence Redmond to possess the requisite qualifications to be nominated for reappointment to the State Board of Chiropractic Examiners.

Your Committee received testimony in support of the nomination for the reappointment of Lawrence Redmond from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Dr. Redmond's knowledge, background, and prior experience on the State Board of Chiropractic Examiners qualify him to be nominated for reappointment to the State Board of Chiropractic Examiners as a chiropractor member. Your Committee notes that Dr. Redmond has been a licensed chiropractor for over thirty years and is the Director and Owner of his private practice, Kaimuki Chiropractic Center. Dr. Redmond is also the past President of the Hawaii State Chiropractic Association. Your Committee further finds that Dr. Redmond has been a member of the State Board of Chiropractic Examiners since 2012 and his many years of experience gained as a licensed chiropractor in active practice continue to enhance the effectiveness of Board discussions. Your Committee therefore recommends that Dr. Redmond be reappointed to the State Board of Chiropractic Examiners based on his background, experience, and desire to contribute to the community.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3632 Commerce, Consumer Protection, and Health on Gov. Msg. No. 800

Recommending that the Senate advise and consent to the nomination of the following:

MOTOR VEHICLE REPAIR INDUSTRY BOARD

G.M. No. 800 MARIE WEITE, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Marie Weite to possess the requisite qualifications to be nominated for reappointment to the Motor Vehicle Repair Industry Board.

Your Committee received testimony in support of the nomination for the reappointment of Marie Weite from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Ms. Weite's background, knowledge, and prior experience on the Motor Vehicle Repair Industry Board qualify her to be nominated for reappointment to the Motor Vehicle Repair Industry Board as a public member. Your Committee notes that Ms. Weite has a background in the insurance industry and is currently the Assistant Vice President of Claims for First Insurance Company of Hawaii, Ltd. Ms. Weite is also dedicated to public service and has served on the boards of various organizations, including her current service with the Mediation Center of the Pacific and her prior service with Prevent Child Abuse Hawaii, Keiki Injury Prevention Coalition, and the Governor's Highway Safety Council. Your Committee further finds that Ms. Weite has been a member of the Motor Vehicle Repair Industry Board since December 2012 and her professional background, including her prior experience as a technical specialist handling litigation automobile claims, has been a beneficial asset to the discussions of the Board. Your Committee therefore recommends that Ms. Weite be reappointed to the Motor Vehicle Repair Industry Board based on her knowledge, background, and commitment to serving her community.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3633 Commerce, Consumer Protection, and Health on Gov. Msg. No. 801

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF PRIVATE DETECTIVES AND GUARDS

G.M. No. 801 RAY GALAS, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Ray Galas to possess the requisite qualifications to be nominated for reappointment to the Board of Private Detectives and Guards.

Your Committee received testimony in support of the nomination for the reappointment of Ray Galas from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Galas' background, commitment to community service, and prior experience on the Board of Private Detectives and Guards qualify him to be nominated for reappointment to the Board of Private Detectives and Guards as a public member. Your Committee notes that Mr. Galas has been an active participant in community and public service for thirty years, has served on the Board of Private Detectives and Guards since 2012, and is the current Vice Chairperson of the Board. Your Committee further finds that Mr. Galas' valuable insights from the public perspective continue to enhance the effectiveness of the Board of Private Detectives and Guards, especially in light of the Board's ongoing duties and responsibilities associated with the full implementation of Act 208, Session Laws of Hawaii 2010, a measure which required a major overhaul of the State's security guard education and training requirements. Your Committee therefore recommends that Mr. Galas be reappointed to the Board of Private Detectives and Guards based on his experience, proven leadership, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3634 Commerce, Consumer Protection, and Health on Gov. Msg. No. 807

Recommending that the Senate advise and consent to the nomination of the following:

HEALTH PLANNING COUNCIL, KAUA'I SUBAREA

G.M. No. 807 RONALD BUSH, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Ronald Bush to possess the requisite qualifications to be nominated for appointment to the Health Planning Council, Kaua'i Subarea.

Your Committee received testimony in support of the nomination for the appointment of Ronald Bush from the State Health Planning and Development Agency and one individual.

Your Committee finds that Mr. Bush is presently a Firefighter III/Fire Prevention/EMS Officer with the Kaua'i Fire Department, where he has worked for more than fifteen years. Mr. Bush also serves as a Member of the Emergency Medical Services Committee and Assistance to Firefighters Grants Grant Writer and Grant Manager for the Kaua'i Fire Department. According to testimony, Mr. Bush is a terrific leader and team player who has gained expertise in health care and public health issues through his work as a Firefighter. In his personal statement, Mr. Bush indicated that he sees his involvement in the Health Planning Council, Kaua'i Subarea, as an opportunity for the Kaua'i Fire Department to be proactive in the community. Your Committee finds that Mr. Bush's professional experience, as well as his dedication to public service, will be great assets to the Health Planning Council, Kaua'i Subarea.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3635 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 808 and 809

Recommending that the Senate advise and consent to the nominations of the following:

HEALTH PLANNING COUNCIL, WEST O'AHU SUBAREA

G.M. No. 808 BEVERLY INOCENCIO, for a term to expire 06-30-2016; and

G.M. No. 809 BEVERLY INOCENCIO, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Beverly Inocencio to possess the requisite qualifications to be nominated for appointment and reappointment to the Health Planning Council, West Oahu Subarea.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Beverly Inocencio from the State Health Planning and Development Agency and five individuals.

Your Committee finds that Dr. Inocencio is presently an Acute Care Nurse Practitioner for The Emergency Group, which is contracted by The Queen's Medical Center; High Reliability Organization/Safety and Joint Commission Officer at the United States Army Health Clinic at Schofield Barracks; and an Adjunct Faculty at the University of Hawaii's School of Nursing. Dr. Inocencio is a licensed Acute Care Nurse Practitioner with Prescriptive Authority and Registered Nurse in Hawaii and a Board Certified Adult Acute Care Nurse Practitioner, Acute Care Nurse Practitioner, Critical Care Registered Nurse, and Certified Emergency Nurse. In her personal statement, Dr. Inocencio indicated that she hopes to provide recommendations that will increase health and well-being of individuals living in West Oahu and looks forward to serving the community in which she grew up. Your Committee finds that Dr. Inocencio's professional expertise, as well as her commitment to serving the community, will be great assets to the Health Planning Council, West Oahu Subarea.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3636 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 810, 811, 812, 813, and 814

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII ADVISORY COMMISSION ON DRUG ABUSE

- G.M. No. 810 JODY JOHNSON, for a term to expire 06-30-2018;
- G.M. No. 811 LORI KARAN, for a term to expire 06-30-2017;
- G.M. No. 812 CARL BERGQUIST, for a term to expire 06-30-2017;
- G.M. No. 813 JAMI KNOX, for a term to expire 06-30-2018; and
- G.M. No. 814 KENNETH TANO, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Jody Johnson, Lori Karan, Carl Bergquist, Jami Knox, and Kenneth Tano to possess the requisite qualifications to be nominated to the Hawaii Advisory Commission on Drug Abuse.

JODY JOHNSON

Your Committee received testimony in support of the nomination for the appointment of Jody Johnson from the Department of Health and four individuals.

Your Committee finds that Ms. Johnson is presently the Acting Director of the Substance Abuse Counseling Center at the Kaneohe Marine Corps Base Hawaii. Prior to assuming her current position, Ms. Johnson served as a Lead Counselor, Licensed Independent Practitioner, and Substance Abuse Counselor at the Substance Abuse Counseling Center. Ms. Johnson is also a certified Marriage and Family Therapist, Certified Clinical Supervisor, IC & RC Internationally Certified Clinical Supervisor, Alcohol and Drug Counselor, IC & RC Internationally Certified Alcohol and Drug Counselor, and Certified Substance Abuse Counselor. In her personal statement, Ms. Johnson indicated that her experiences working with a variety of people in different community settings, such as a school, residential treatment program, recovery community, and military base, have given her a broad perspective on issues related to substance abuse and allowed her to connect well with others. Your Committee finds that Ms. Johnson's extensive work experience and qualifications, as well as her proven leadership, will be great assets to the Hawaii Advisory Commission on Drug Abuse.

LORI KARAN

Your Committee received testimony in support of the nomination for the appointment of Lori Karan from the Department of Health and The CHOW Project.

Your Committee finds that Dr. Karan is presently a Professor of Psychiatry at the John A. Burns School of Medicine at the University of Hawaii at Manoa and Associate Professor at the University of California, San Francisco. In the past, Dr. Karan served as the Medical Director for the Hawaii State Department of Public Safety and a Primary Care Physician for the California Department of Corrections and Rehabilitation. Furthermore, she has received Fellow status from the American Society of Addiction Medicine and American College of Physicians and is an accomplished presenter, having led numerous national addiction conferences. In her personal statement, Dr. Karan indicated that she believes consumers are best protected when they are educated and that providing adequate information for consumers to make informed decisions is the best way to combat misinformation about psychoactive drugs and drug addiction. Your Committee finds that Dr. Karan's professional background, as well as her experience in addiction medicine, will be great assets to the Hawaii Advisory Commission on Drug Abuse.

CARL BERGQUIST

Your Committee received testimony in support of the nomination for the appointment of Carl Bergquist from the Department of Health, The CHOW Project, The Drug Policy Action Group, and two individuals.

Your Committee finds that Mr. Bergquist is presently the Executive Director for the Drug Policy Forum of Hawaii'i and has previous work experience as a Policy Consultant and Policy Advocate for the Coalition for Humane Immigrant Rights of Los Angeles. Most recently, Mr. Bergquist's efforts have focused on issues related to drug overdose and substance abuse and improving the medical marijuana program in the State. According to testimony, Mr. Bergquist has a comprehensive knowledge and understanding of drugs and drug policy and their related implications for the health and well-being of Hawaii's local communities. In his personal statement,

Mr. Bergquist indicated that he hopes to see the expansion of current treatment services, highlight the connections between the criminalization of drug users and adverse impacts on public health, and examine possible solutions to Hawaii's crystal methamphetamine epidemic. Your Committee finds that Mr. Bergquist's experience in drug policy, as well as his dedication to public service, will be great assets to the Hawaii Advisory Commission on Drug Abuse.

JAMI KNOX

Your Committee received testimony in support of the nomination for the appointment of Jami Knox from the Department of Health and three individuals.

Your Committee finds that Dr. Knox is presently the Owner of Aloha Pediatrics LLC, providing a full spectrum of inpatient and outpatient care, as well as addiction medicine for patients of all ages. Dr. Knox has previously been employed by the Hawaii Health Systems Corporation West Kauai Clinics, where she served as Chair of the Pediatric Department and Co-Chair of the Perinatal Committee, and owned and operated Haslett Community Pediatrics. Dr. Knox is Board Certified in Pediatrics, and her special practice interests include asthma care, neonatal medicine, adolescent medicine, and addiction medicine. In her personal statement, Dr. Knox indicated that because she deals with issues regarding substance abuse and addiction through her practice as a pediatrician, she is able to observe the effects of drug and alcohol addiction on families on a daily basis. Your Committee finds that Dr. Knox's unique perspective as a pediatrician and addiction medicine provider, as well as her willingness to serve the public, will be great assets to the Hawaii Advisory Commission on Drug Abuse.

KENNETH TANO

Your Committee received testimony in support of the nomination for the appointment of Kenneth Tano from the Department of Health and four individuals.

Your Committee finds that prior to retirement, Mr. Tano served as a Lieutenant, Captain, and Major for the Narcotics/Vice Division of the Honolulu Police Department. Presently, Mr. Tano is the Hawaii Law Enforcement Coordinator for the Western States Information Network, whose mission is to assist local, state, federal, and tribal criminal justice partners to facilitate information sharing, support criminal investigations, and promote officer safety. Mr. Tano has also served as the Honolulu Police Project Manager for the Statewide Narcotics Task Force and Honolulu Police Administrative Adviser for the Statewide Marijuana Eradication Task Force. In his personal statement, Mr. Tano indicated that he is interested in addressing substance abuse through a multi-faceted approach with an understanding that law enforcement is only one component that needs to work alongside treatment, prevention, and education. Your Committee finds that Mr. Tano's dedication to public service, as well as his proven leadership and continued involvement in issues related to substance abuse, will be great assets to the Hawaii Advisory Commission on Drug Abuse.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Ruderman, Slom).

SCRep. 3637 Commerce, Consumer Protection, and Health on Gov. Msg. No. 821

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE HAWAII HURRICANE RELIEF FUND

G.M. No. 821 STAFFORD KIGUCHI, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Stafford Kiguchi to possess the requisite qualifications to be nominated for reappointment to the Board of Directors of the Hawaii Hurricane Relief Fund.

Your Committee received testimony in support of the nomination for the reappointment of Stafford Kiguchi from the Department of Commerce and Consumer Affairs, Hawaii Bankers Association, Hawaii Financial Services Association, Chamber of Commerce Hawaii, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Kiguchi's knowledge, background, and prior experience on the Board of Directors of the Hawaii Hurricane Relief Fund qualify him to be nominated for reappointment to the Board of Directors of the Hawaii Hurricane Relief Fund. Your Committee notes that Mr. Kiguchi is currently the Executive Vice President and Manager of Government Relations and Corporate Communications for Bank of Hawaii and his extensive professional experience includes governmental relations, internal and external corporate communications, issues and reputation management, and crisis and risk communications. Mr. Kiguchi is also active in several professional and community organizations, sits on the Boards of Directors for Chamber of Commerce Hawaii and Move Oahu Forward, is a member of the Advisory Council for the American Diabetes Association, Hawaii Chapter, and is a member of the American Bankers Association Government Relations Council. Your Committee further finds that Mr. Kiguchi has been on the Board of Directors of the Hawaii Hurricane Relief Fund since 2014 and his practical business and banking perspective continues to enhance the deliberations of the Board. Your Committee therefore recommends that Mr. Kiguchi be reappointed to the Board of Directors of the Hawaii Hurricane Relief Fund based on his background, experience, and commitment to reducing the risk of catastrophic damage from future hurricanes.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3638 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 828, 829, 830, and 831

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON MENTAL HEALTH

- G.M. No. 828 CYNTHIA DANG, for a term to expire 06-30-2020;
 G.M. No. 829 SHANNESSY MITCHELL, for a term to expire 06-30-2019;
 G.M. No. 830 RICHARD RIES, for a term to expire 06-30-2020; and
 G.M. No. 831 CHARLENE DARABAN, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Cynthia Dang, Shannessy Mitchell, Richard Ries, and Charlene Daraban 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 for the appointment of Cynthia Dang from the Department of Health.

Your Committee finds that Dr. Dang is presently a mid-level manager for a business consulting firm and has experience working in the areas of mental health, substance abuse, domestic violence, and homelessness. Dr. Dang is active in the community, serving as Chair of the Mental Health and Substance Abuse, Oahu Service Area Board, and Representative from the Mental Health Substance Abuse, Oahu Service Area Board, on the State Council on Mental Health. Dr. Dang also has valuable experience on various committees dealing with assessing and treating trauma and homeless veterans. In her personal statement, Dr. Dang indicated that she understands the importance of working collaboratively to eliminate the stigma of seeking services related to mental health, substance abuse, and domestic violence and hopes that her diverse strategic planning experience can improve overall efficiency. Your Committee therefore finds that Dr. Dang's experience in the private and public sectors, proven leadership, and dedication to serving the public will be great assets to the State Council on Mental Health.

SHANNESSY MITCHELL

Your Committee received testimony in support of the nomination for the appointment of Shannessy Mitchell from the Department of Health, Department of Human Services, and one individual.

Your Committee finds that Ms. Mitchell is presently a Vocational Rehabilitation Counselor for the Division of Vocational Rehabilitation under the Department of Human Services and has previous work experience as a Program Supervisor and Behavioral Health Specialist for Child and Family Service and Community Service Specialist for the City and County of Honolulu's Department of Community Services. According to testimony, Ms. Mitchell has attended a few meetings of the State Council on Mental Health and looks forward to collaborating on several of the Council's objectives in its Strategic Plan. In her personal statement, Ms. Mitchell indicated that she hopes to open up opportunities for individuals with significant mental health issues in the workforce and continue to eliminate the negative stigma and social isolation for persons with disabilities. Your Committee therefore finds that Ms. Mitchell's commitment to serving persons with disabilities, as well as her background in vocational rehabilitation, will be great assets to the State Council on Mental Health.

RICHARD RIES

Your Committee received testimony in support of the nomination for the appointment of Richard Ries from the Department of Health and two individuals.

Your Committee finds that Dr. Ries presently maintains a private practice in psychotherapy and serves as a Clinic Manager for the University of Hawaii Center for Cognitive Behavior Therapy. Dr. Ries' past work experience includes serving as a Clinical Therapist and Psychologist at The Queen's Medical Center and Deputy Chief of Psychology Research for the Department of Psychology at Tripler Army Medical Center. Dr. Ries is also an accomplished educator and author of several research publications in mental health and a Medal Recipient of the Commander's Award for Civilian Service and Achievement Medal for Civilian Service. In his personal statement, Dr. Ries indicated that he hopes to deepen his understanding of mental health needs and trends in Hawaii and would like to support initiatives to strengthen the delivery of mental health services in the State. Your Committee therefore finds that Dr. Ries' expertise on veterans' mental health issues, as well as his willingness to serve, will be great assets to the State Council on Mental Health.

CHARLENE DARABAN

Your Committee received testimony in support of the nomination for the reappointment of Charlene Daraban from the Department of Health.

Your Committee finds that Ms. Daraban is presently a Consumer Family Relations Specialist for Hawaii Families as Allies. Prior to her current role, Ms. Daraban served as a Family Court Liaison/Youth Program Assistant, Central Oahu Parent Partner/Family Court Liaison Branch Parent Partner, and Statewide Outreach Training Coordinator for Hawaii Families as Allies. She has also previously served on the State Council on Mental Health, having been appointed in 2011. According to testimony, Ms. Daraban's experiences as a parent and grandparent of children living with mental illness allow her to understand the needs of families impacted by mental illness. In her personal statement, Ms. Daraban indicated that she hopes to be a part of improving the mental health system for families and adults impacted by mental health in the State. Your Committee therefore finds that Ms. Daraban's experiences in the field of mental health, as well as her dedication to public service, will continue to be great assets to the State Council on Mental Health.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3639 Commerce, Consumer Protection, and Health on Gov. Msg. No. 833

Recommending that the Senate advise and consent to the nomination of the following:

LANGUAGE ACCESS ADVISORY COUNCIL

G.M. No. 833 CARI UESUGI, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Cari Uesugi to possess the requisite qualifications to be nominated to the Language Access Advisory Council.

Your Committee received testimony in support of the nomination for the appointment of Cari Uesugi from the Office of Language Access and four individuals.

Your Committee finds that Ms. Uesugi is presently the Patient Relations Advocate at the Maui Memorial Medical Center and has previous work experience as a Patient Relations Advocate for The Queen's Medical Center and Staff Supervisor and Therapist at Child and Family Services. According to testimony, Ms. Uesugi has developed an understanding of the need for language access in the health care setting and has been instrumental in developing and implementing language access plans at Maui Memorial Medical Center and The Queen's Medical Center. She also collaborated with government agencies and community organizations to create and support a professional medical interpreters' training program at the University of Hawaii Maui College. In her personal statement, Ms. Uesugi indicated that she hopes her experience of working with diverse communities and in the medical field can lead to advocating for limited English proficiency consumers to receive meaningful access to services, programs, and activities within their communities. Your Committee therefore finds that Ms. Uesugi's professional experience, as well as her interest in language access policies, will be great assets to the Language Access Advisory Council.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3640 Commerce, Consumer Protection, and Health on Gov. Msg. No. 835

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOXING COMMISSION OF HAWAII

G.M. No. 835 MARK OZAKI, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Mark Ozaki to possess the requisite qualifications to be nominated for appointment to the State Boxing Commission of Hawaii.

Your Committee received testimony in support of the nomination for the appointment of Mark Ozaki from the Department of Commerce and Consumer Affairs and eight individuals.

Upon review of the testimony, your Committee finds that Mr. Ozaki's background, experience, and dedication to serving his community qualify him to be nominated for appointment to the State Boxing Commission of Hawaii. Your Committee notes that Mr. Ozaki has been involved with the sport of boxing for nearly three decades. Mr. Ozaki competed as an amateur boxer for almost ten years before moving into a coaching role and is currently a USA Boxing certified Level II Coach and Level II official. Mr. Ozaki serves his community on Kauai as a Lieutenant in the Investigative Services Bureau of the Kauai Police Department and is the founder and Program Coordinator of the Kauai Police Activities League, a nonprofit organization devoted to developing character, self-discipline, and healthy lifestyles among Kauai's youth. Your Committee further finds that Mr. Ozaki has a thorough understanding of the role and responsibilities of commission members and therefore recommends that Mr. Ozaki be appointed to the State Boxing Commission of Hawaii based on his experience, commitment to the sport of boxing, and dedication to public service.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3641 Transportation and Energy on Gov. Msg. Nos. 766 and 803

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

G.M. No. 766 WILLIAM MIELCKE, for a term to expire 06-30-2018; and

G.M. No. 803 JOHN DELONG, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds William Mielcke and John DeLong to possess the requisite qualifications to be nominated to the Board of Directors Of The Natural Energy Laboratory Of Hawai'i Authority (Board).

WILLIAM MIELCKE

Your Committee received testimony in support of the nomination for the appointment of William Mielcke from the Department of Business, Economic Development, and Tourism.

Your Committee finds that William Mielcke is a resort hotel, golf course, and residential real estate development consultant. He previously was President and Chief Executive Officer of Mauna Kea Properties, Inc., a position he held from 1988 to 2001. Mr. Mielcke also served as Chairperson and member of the County of Hawaii Board of Appeals handling appeals from actions of the County Planning Director, Planning Commission, and Chief Engineer. Mr. Mielcke also served as Chairperson and member of the Hawaii County Planning Commission.

Mr. Mielcke has a long history of contributing to the economic development of West Hawaii and as a successful businessman. Mr. Mielcke has played a key role in the development of West Hawaii for the past fifty-five years. He has a strong background in corporate management, marketing, real estate, and property management. His private sector experience will contribute to the Board's ability to evaluate new opportunities, strategic direction, and objectives.

JOHN DELONG

Your Committee received testimony in support of the nomination for the appointment of John DeLong from the Department of Business, Economic Development, and Tourism.

Your Committee finds that John DeLong is President of Hawaiian Cement and West Hawaii Concrete. He received a Master of Business Administration from the University of Hawaii and completed the Stanford Executive Program.

Mr. DeLong's very strong background in construction complements many of the infrastructure projects that are under development at The Natural Energy Laboratory of Hawai'i Authority (The Natural Energy Lab). More specifically, his private sector business experience as Chief Executive Officer of Hawaiian Cement affords an opportunity to provide invaluable advice and perspectives to the Board. In addition, Mr. DeLong has a scientific background in chemical engineering that will assist in understanding the challenges of the technological park. He also has a strong interest in the successful development of new businesses that can take advantage of the unique opportunities provided by The Natural Energy Lab.

As affirmed by the records of votes of the members of your Committee on Transportation and Energy 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 (Chun Oakland, English, Slom).

SCRep. 3642 Transportation and Energy on Gov. Msg. Nos. 794, 795, 796, 797, and 798

Recommending that the Senate advise and consent to the nominations of the following:

STATE HIGHWAY SAFETY COUNCIL

G.M. No. 794 THOMAS NOYES, for a term to expire 06-30-2018;

G.M. No. 795 JUSTIN KOLLAR, for a term to expire 06-30-2020;

G.M. No. 796 MITCHELL ROTH, for a term to expire 06-30-2020;

G.M. No. 797 DARREN IZUMO, for a term to expire 06-30-2020; and

G.M. No. 798 JEEN KWAK PANG, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Thomas Noyes, Justin Kollar, Mitchell Roth, Darren Izumo, and Jeen Kwak Pang to possess the requisite qualifications to be nominated to the State Highway Safety Council.

THOMAS NOYES

Your Committee received testimony in support of the nomination for the appointment of Thomas Noyes from the Department of Transportation, Lihu'e Business Association, and six individuals.

Your Committee finds that Thomas Noyes is the Executive Director of Kauai Path, Inc. He has more than thirty-four years of experience in non-profit, state, corporate, and community project management and communications. Mr. Noyes is currently a member of the Kauai Na Ala Hele Advisory Council, serving since 2012, and as Chair until 2015.

Mr. Noyes appreciates the nexus between transportation systems that encourage pedestrian, bicycle, and public transit and the increased physical activity levels resulting from that lifestyle. Further, Mr. Noyes has worked tirelessly with appointed State and County of Kauai personnel and community members to promote the safety and attractiveness of active transportation systems. While at Kauai Path's, he has devoted his efforts to fully integrate walking, bicycling, and public transit into the fabric of daily life as contributing components of a well-functioning multi-modal transportation system.

JUSTIN KOLLAR

Your Committee received testimony in support of the nomination for the reappointment of Justin Kollar from the Department of Transportation; Kauai Path, Inc.; and two individuals.

Your Committee finds that Justin Kollar is the Prosecuting Attorney for the County of Kauai, a position he has held since 2012. He is responsible for the prosecution of all criminal offenses within the geographical jurisdiction arising under state law or county ordinance, as well as litigate in state courts. Mr. Kollar has been an invaluable member on the State Highway Safety Council since 2012. Additionally, he has been a tremendous resource as a member on the Department of Transportation's Hawaii Impaired Driving Task Force. As such, Mr. Kollar will continue to be an asset to the State Highway Safety Council.

MITCHELL ROTH

Your Committee received testimony in support of the nomination for the appointment of Mitchell Roth from the Department of Transportation and two individuals.

Your Committee finds that Mr. Roth is currently the Prosecuting Attorney for the County of Hawaii. His accomplishments include developing the Community Oriented Prosecution Program; helping to design and establish the Pahoa Weed and Seed project; and helping to design initiatives to reduce crime in numerous communities on the Big Island of Hawaii. Mr. Roth is a valued member of the State Highway Safety Council who has served two four-year terms on the Council, with a two-year break in between. He previously served as Chair of the State Highway Safety Council and the Department of Transportation's Strategic Highway Safety Plan.

DARREN IZUMO

Your Committee received testimony in support of the nomination for the appointment of Darren Izumo from the Department of Transportation and two individuals.

Your Committee finds that Major Darren Izumo is currently the Commander of the Traffic Division of the Honolulu Police Department. During his twenty-five years with the Honolulu Police Department, Major Izumo has been in Patrol, Vehicular Homicide Section, Criminal Investigations, and Internal Affairs. As Commander of the Traffic Division, Major Izumo helps oversee traffic flow, traffic enforcement, metered parking enforcement, and the investigation of fatal and critical injury vehicle collisions. Major Izumo's diverse experience and knowledge will make him an invaluable member of the State Highway Safety Council.

JEEN KWAK PANG

Your Committee received testimony in support of the nomination for the appointment of Jeen Kwak Pang from the Department of Transportation, Department of the Prosecuting Attorney of the City and County of Honolulu, and two individuals.

Your Committee finds that Jeen Kwak Pang is Division Chief of the Misdemeanor Traffic Division of the Department of the Prosecuting Attorney of the City and County of Honolulu, a position she has held since 1997. During her nineteen years of service with the Department of the Prosecuting Attorney, Ms. Pang has gained experience trying cases where offenses have occurred on Hawaii's roadways. As the Division Chief of the Misdemeanor Traffic Division, she oversees cases ranging from parking tickets to homicides caused by motor vehicle collisions. Ms. Pang's knowledge of the criminal justice system will provide a significant contribution to the State Highway Safety Council.

As affirmed by the records of votes of the members of your Committee on Transportation and Energy 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 (Chun Oakland, English, Slom).

SCRep. 3643 Human Services on Gov. Msg. Nos. 775, 776, 822, and 823

Recommending that the Senate advise and consent to the nominations of the following:

POLICY ADVISORY BOARD FOR ELDER AFFAIRS

- G.M. No. 775 JOHN TOMOSO, for a term to expire 06-30-2020;
- G.M. No. 776 BEVERLY WITHINGTON, for a term to expire 06-30-2020;
- G.M. No. 822 GARY SIMON, for a term to expire 06-30-2018; and
- G.M. No. 823 SCOTT SPALLINA, for a term to expire 06-30-2020

JOHN TOMOSO

Your Committee received testimony in support of the nomination for the reappointment of John Tomoso from the Executive Office on Aging; State Long Term Care Ombudsman Program; The Episcopal Diocese of Hawai'i; Hawai'i Family Caregiver Coalition; J. Walter Cameron Center; and six individuals.

Upon review of the testimony, your Committee notes that Mr. Tomoso has done social work professionally for nearly four decades, and he has also personally experienced the challenges of being a caregiver. Your Committee further finds that as a current member of the Policy Advisory Board for Elder Affairs, Mr. Tomoso has a thorough understanding of the role and responsibilities of board members, and he has been an asset to the Policy Advisory Board for Elder Affairs when the Board conducts its business and deliberations. Your Committee therefore finds that Mr. Tomoso has been nominated for reappointment to the Policy Advisory Board

for Elder Affairs as a member from Maui County based on his knowledge, professional experience, and commitment to elder affairs in the State.

BEVERLY WITHINGTON

Your Committee received testimony in support of the nomination for the reappointment of Beverly Withington from the Executive Office on Aging and three individuals.

Upon review of the testimony, your Committee finds that Ms. Withington's professional experience as a Registered Nurse and as an attorney, in addition to her current service on the Policy Advisory Board for Elder Affairs, give her a unique combination of skills and knowledge to contribute to the Policy Advisory Board for Elder Affairs. Your Committee further finds that Ms. Withington has a thorough understanding of the role and responsibilities of board members and has been nominated for reappointment to the Policy Advisory Board for Elder Affairs as a public member based on her knowledge, professional experience, and commitment to elderly affairs in the State.

GARY SIMON

Your Committee received testimony in support of the nomination for the appointment of Gary Simon from the Executive Office on Aging, State Long Term Care Ombudsman Program, AARP Hawaii, Hawaii Catholic Conference, and six individuals.

Upon review of the testimony, your Committee notes that Mr. Simon previously served on the Policy Advisory Board for Elder Affairs from 2005 to 2015, and thus has a thorough understanding of the role and responsibilities of board members. Your Committee also notes that Mr. Simon has worked with Hawaii's elderly residents for nearly three decades, including presently as Executive Director of St. Francis Hospice. Your Committee therefore finds that Mr. Simon's professional experience and background qualify him for nomination to the Policy Advisory Board for Elder Affairs as a public member.

SCOTT SPALLINA

Your Committee received testimony in support of the nomination for the appointment of Scott Spallina from AARP Hawaii and one individual.

Upon review of the testimony, your Committee finds that Mr. Spallina's professional experience and background qualify him for nomination to the Policy Advisory Board for Elder Affairs as a public member. Your Committee notes that Mr. Spallina regularly contributes to resolving elder issues through his work as a Deputy Prosecuting Attorney. Your Committee further finds that Mr. Spallina's position as Supervisor of the Elder Abuse Unit at the Honolulu Office of the Prosecuting Attorney provides him with timely and valuable information about criminal issues that Hawaii's elderly population currently face. Your Committee therefore finds that Mr. Spallina has been nominated to the Policy Advisory Board for Elder Affairs as a public member based on his knowledge, experience, and commitment to public service.

As affirmed by the records of votes of the members of your Committee on Human Services 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 (Harimoto, Thielen, Slom).

SCRep. 3644 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 826 and 827

Recommending that the Senate advise and consent to the nominations of the following:

MENTAL HEALTH AND SUBSTANCE ABUSE, MAUI SERVICE AREA BOARD

G.M. No. 826 ALFRED ARENSDORF, for a term to expire 06-30-2020; and

G.M. No. 827 CHIREE SOUZA, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alfred Arensdorf and Chiree Souza to possess the requisite qualifications to be nominated to the Mental Health and Substance Abuse, Maui Service Area Board.

ALFRED ARENSDORF

Your Committee received testimony in support of the nomination for the reappointment of Alfred Arensdorf from the Department of Health and two individuals.

Your Committee finds that Dr. Arensdorf is a child and adolescent psychiatrist who has practiced in California, Hawaii, New Mexico, Washington, and Vietnam and prior to retirement, served as the Medical Director in the Child and Adolescent Mental Health Division of the Department of Health. Dr. Arensdorf continues to serve as a Clinical Professor in the John A. Burns School of Medicine's Department of Psychiatry at the University of Hawaii at Manoa. According to testimony, Dr. Arensdorf is dedicated to the wellness of Hawaii's children and continues to be a champion for children and adult mental health, consumers, and providers. Dr. Arensdorf continues to be active in the community, serving as a Member of the Mental Health and Substance Abuse, Maui Service Area Board, since 2012. In his personal statement, Dr. Arensdorf indicated that he hopes to further identify problematic policies, decisions, and practices that affect consumers and their access to effective services. Your Committee therefore finds that Dr. Arensdorf's background in child and adolescent mental health, as well as his willingness to serve the public, will continue to be great assets to the Mental Health and Substance Abuse, Maui Service Area Board.

CHIREE SOUZA

Your Committee received testimony in support of the nomination for the reappointment of Chiree Souza from the Department of Health and two individuals.

Your Committee finds that Ms. Souza is presently a Paraprofessional and Educational Assistant with the Department of Education's Special Education Department, working with students with special needs. Ms. Souza has served on the Mental Health and Substance Abuse, Maui Service Area Board since 2013 and, according to testimony, enjoys being a Member of the Board, seeing it as an opportunity to advocate for others who cannot advocate for themselves. As a leader, Ms. Souza has the ability to communicate with people from a wide range of ages and often demonstrates her compassion for others. In her personal statement, Ms. Souza indicated that having worked with special needs students for sixteen years, she hopes to keep students and consumers aware of the services within the community and continue to help individuals with special needs to live a comfortable life. Your Committee therefore finds that Ms. Souza's experience as an educator and leader, passion for advocating for those who cannot advocate for themselves, and her dedication to public service will continue to be great assets to the Mental Health and Substance Abuse, Maui Service Area Board.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3645 Education on Gov. Msg. Nos. 836 and 837

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF EDUCATION

G.M. No. 836 BRUCE VOSS, for a term to expire 06-30-2019; and

G.M. No. 837 PATRICIA BERGIN, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Bruce Voss and Patricia Bergin to possess the requisite qualifications to be nominated for appointment to the Board of Education.

BRUCE VOSS

Your Committee received testimony in support of the nomination for the appointment of Bruce Voss from 'Aha Pūnana Leo, The MacNaughton Group, ABC Stores, Chamber of Commerce Hawaii, Building Industry Association of Hawaii, Boys & Girls Club of Hawaii, and nineteen individuals. Your Committee received comments on the nomination for the appointment of Bruce Voss from the Hawaii Education Policy Center, LGBT Caucus of the Democratic Party of Hawaii, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Voss's experience as a journalist and attorney, commitment to the needs of Hawaii's students, and his familiarity with the teaching profession, qualify him to be nominated for appointment to the Board of Education. Your Committee notes that Mr. Voss has many connections to education, including his father, father-in-law, and wife, who are all either practicing teachers or retired teachers. Mr. Voss has supported education in his career both in journalism and law, and was part of the team that created Hiki Nō Student News Network, a PBS Hawai'i learning initiative. Your Committee finds that Mr. Voss's professional leadership skills and dedication to advancing the interests of Hawaii's students will be great assets to the Board of Education.

PATRICIA BERGIN

Your Committee received testimony in support of the nomination for the appointment of Patricia Bergin from the Office of Hawaiian Affairs, 'Aha Pūnana Leo, Waimea Middle School, Ka Haka 'Ula O Ke'elikōlani College of Hawaiian Language at the University of Hawai'i at Hilo, and twelve individuals. Your Committee received comments on the nomination for the appointment of Patricia Bergin from the LGBT Caucus of the Democratic Party of Hawaii and three individuals.

Upon review of the testimony, your Committee finds that Ms. Bergin's extensive experience as an educator and administrator, dedication to Hawaii's students, and leadership abilities qualify her to be nominated for appointment to the Board of Education. Your Committee notes that Ms. Bergin has worked as a school and education administrator in Hawaii, including as a district superintendent, for more than forty years. Ms. Bergin's career has covered every level of the State's public education system, and she has been responsible for numerous programs and initiatives to further the academic interests and educational well-being of Hawaii's students. Additionally, Ms. Bergin has served on the North Hawai'i Community Hospital Board of Directors, Parker Ranch Foundation Trust Distribution Committee, and Mauna Kea Management Board. Your Committee finds that Ms. Bergin's experience as a leader in education administration and her commitment to the needs of Hawaii's students will be great assets to the Board of Education.

Your Committee notes that at the hearing on these nominations, the issue of having teachers serve on the Board of Education was raised. Your Committee finds that the nature of the teaching profession, legal framework of education, and demands on teachers and students are subject to change over time. Your Committee also finds that the perspective of individuals with current or recent experience in the classroom may be valuable to the Board of Education. Your Committee notes that the Board of Education does not currently contain any members who are current teachers, or who have been teachers within the last fifteen years.

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, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 3646 Education on Gov. Msg. No. 806

Recommending that the Senate advise and consent to the nomination of the following:

EDUCATION COMMISSION OF THE STATES

G.M. No. 806 CARMIELITA MINAMI, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Dr. Carmielita Minami to possess the requisite qualifications to be nominated for appointment to the Education Commission of the States.

Your Committee received testimony in support of the nomination for the appointment of Dr. Carmielita Minami from three individuals.

Upon review of the testimony, your Committee finds that Dr. Minami's experience as an educator and administrator, dedication to excellence in education, and proven leadership abilities qualify her to be nominated for appointment to the Education Commission of the States. Your Committee notes that Dr. Minami worked in Hawaii's public school system for more than forty years as a teacher, vice-principal, and principal. Dr. Minami has received numerous awards for excellence in educational administration and leadership during her career, and has volunteered significant amounts of time accrediting public, private, and parochial schools in Hawaii and Guam. Your Committee finds that Dr. Minami's extensive experience and leadership in educational excellence will be great assets to the Education Commission of the States.

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, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 3647 Education on Gov. Msg. No. 834

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I TEACHER STANDARDS BOARD

G.M. No. 834 ROXANE STEWART, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Roxane Stewart to possess the requisite qualifications to be nominated for reappointment to the Hawai'i Teacher Standards Board.

Your Committee received testimony in support of the nomination for the reappointment of Roxane Stewart from the Hawai'i Teacher Standards Board and three individuals.

Upon review of the testimony, your Committee finds that Ms. Stewart's experience as an educator and administrator, commitment to excellence in education, and leadership abilities qualify her for nomination for reappointment to the Hawai'i Teacher Standards Board. Your Committee notes that Ms. Stewart has worked as a teacher and education administrator for more than fifteen years, and has served on the Hawai'i Teacher Standards Board for the past year. Ms. Stewart has done extensive work to advance science education and Native Hawaiian issues. She also has knowledge and experience in Department of Education schools and charter schools. Your Committee finds that Ms. Stewart's extensive experience, expertise in important education issues in Hawaii, and commitment to the needs of Hawaii's students will continue to be great assets to the Hawai'i Teacher Standards Board.

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, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 3648 Judiciary and Labor on Gov. Msg. Nos. 536 and 537

Recommending that the Senate advise and consent to the nominations of the following:

DEFENDER COUNCIL

G.M. No. 536 ALEXANDRA SCANLAN, for a term to expire 06-30-2018; and

G.M. No. 537 PHILIP LOWENTHAL, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alexandra Scanlan and Philip Lowenthal to possess the requisite qualifications to be nominated to serve on the Defender Council.

ALEXANDRA SCANLAN

Your Committee received testimony in support of the nomination for the reappointment of Alexandra Scanlan from the Office of the Public Defender.

Ms. Scanlan is licensed to practice law in Hawaii. She currently is a private criminal defense attorney practicing in Honolulu with twenty years of experience in handling criminal cases through all phases of the criminal case process. She previously served as a Deputy Public Defender where she worked in all branches of the office.

According to testimony in support of Ms. Scanlan's nomination for reappointment, her experience as a former Deputy Public Defender has allowed her to form a complete understanding of the criminal justice system and the Public Defender's essential role in that system. If appointed to the Defender Council for a second term, she will assist the Office of the Public Defender in fulfilling its mission of zealous and effective representation of indigent persons charged with criminal offenses.

PHILIP LOWENTHAL

Your Committee received testimony in support of the nomination for the reappointment of Philip Lowenthal from the Office of the Public Defender.

Mr. Lowenthal previously served as a Deputy Public Defender for the Office of the Public Defender in Maui County before going into private practice. His practice of law focuses on federal and state trials, civil and criminal cases, and complex litigation.

Mr. Lowenthal is licensed to practice law in California and Hawaii, and has appeared before the United States Tax Court, United States Court of Appeals in the Ninth Circuit, and United States Supreme Court. His professional activities include previously serving on the Hawaii State Supreme Court Permanent Committee on Rules of Penal Procedure and Permanent Committee on Standard Criminal Jury Instructions. He currently serves on the Hawaii State Supreme Court Permanent Committee on Rules of Evidence, the National Association of Criminal Defense Lawyers, and the Hawaii State Supreme Court Disciplinary Board. Furthermore, he currently serves as Director of the Maui Hui Malama Learning Center, Director and Vice President of the Maui Economic Concerns of the Community, and Board member of the Papa Ola Lokahi Institutional Review Board. He has also taught evidence at the Maui Community College for many years, served as an instructor at the Hawaii Public Defender training seminar, and served on numerous committees and task forces dealing with Hawaii court rules and the justice system.

According to testimony submitted in support of Mr. Lowenthal's nomination for reappointment, Mr. Lowenthal is a well-respected Hawaii trial attorney who specializes in criminal defense with knowledge and experience in defending major cases in federal and state courts. Your Committee finds that Mr. Lowenthal's background in the criminal justice system, particularly in the Maui court system, is a valuable asset in representing Maui on the Defender Council for a second term.

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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3649 Judiciary and Labor on Gov. Msg. Nos. 640, 641, 642, 643, 644, 658, 659, 660, 741, 764, and 765

Recommending that the Senate advise and consent to the nominations of the following:

HAWAI'I WORKFORCE DEVELOPMENT COUNCIL

- G.M. No. 640 BRIAN TATSUMURA, for a term to expire 06-30-2019;
- G.M. No. 641 CHARLES SHIMA, for a term to expire 06-30-2019;
- G.M. No. 642 MARIAN TSUJI, for a term to expire 06-30-2018;
- G.M. No. 643 MIRIAM WINONA WHITMAN, for a term to expire 06-30-2019 (term amended to 6-30-2018 by GM779);
- G.M. No. 644 RICHARD VIEIRA, for a term to expire 06-30-2019;
- G.M. No. 658 BARRY TANIGUCHI, for a term to expire 06-30-2016;
- G.M. No. 659 BARRY TANIGUCHI, for a term to expire 06-30-2020;
- G.M. No. 660 CARL HINSON, for a term to expire 06-30-2017;
- G.M. No. 741 SUNSHINE TOPPING, for a term to expire 06-30-2020;
- G.M. No. 764 SEAN KNOX, for a term to expire 06-30-2018; and
- G.M. No. 765 SHERYL NOJIMA, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Brian Tatsumura, Charles Shima, Marian Tsuji, Miriam Winona Whitman, Richard Vieira, Barry Taniguchi, Carl Hinson, Sunshine Topping, Sean Knox, and Sheryl Nojima to possess the requisite qualifications to be nominated to the Hawai'i Workforce Development Council.

BRIAN TATSUMURA

Your Committee received testimony in support of the nomination for the appointment of Brian Tatsumura from the Workforce Development Council and Chamber of Commerce Hawaii.

Your Committee finds that Mr. Tatsumura has forty-three years of experience in the retail industry. Mr. Tatsumura is presently the Nordstrom's Store Manager in Hawaii. Mr. Tatsumura actively serves the community as a current member of the Aloha United Way Board of Directors and Public Schools of Hawaii Foundation Board of Trustees, and Chairperson of the Workforce Development and Education Policy Committee of the Chamber of Commerce Hawaii. Testimony submitted by the Workforce Development Council notes that Mr. Tatsumura will assist the Council in identifying barriers associated with preparing and positioning local employees to meet employers' needs. Your Committee further finds that Mr. Tatsumura's experience and knowledge of the retailing and merchandising industry in Hawaii, one of the State's largest industries, will be great assets to the Workforce Development Council.

CHARLES SHIMA

Your Committee received testimony in support of the nomination for the appointment of Charles Shima from the Workforce Development Council and Plumbing & Mechanical Contractors Association of Hawaii.

Your Committee finds that Mr. Shima has over twenty-five years of experience in the plumbing and mechanical trades. Mr. Shima began his career as an apprentice and is presently the Training Coordinator for the Plumbers and Pipefitters Union Local 675 Apprenticeship Program. As the Training Coordinator, Mr. Shima is responsible for managing all operations of the program, including the oversight of approximately six hundred apprentices throughout the State. Mr. Shima has served the community as a member of the Executive Board of Plumbers and Pipefitters Union Local 675. Testimony submitted by the Workforce Development Council notes that Mr. Shima will assist the Council in identifying barriers associated with preparing and positioning local labor for employment. Your Committee further finds that Mr. Shima's experience in the construction industry, as well as his proven leadership, will be assets to the Workforce Development Council.

MARIAN TSUJI

Your Committee received testimony in support of the nomination for the appointment of Marian Tsuji from the Workforce Development Council, Chamber of Commerce Hawaii, and one individual.

Your Committee finds that Ms. Tsuji has actively been involved in the private and public sectors for thirty years. Ms. Tsuji worked for several years as an independent consultant for corrections program development, training, and evaluation and she has extensive experience in the corrections industry in New York and Hawaii, including serving as the Deputy Director for Corrections at the Department of Public Safety. Ms. Tsuji is presently the President and Chief Executive Officer of Lanakila Pacific, a non-profit organization that provides workforce training, life skills development, and meals-on-wheels to adults with disabilities. Testimony submitted by the Workforce Development Council notes that Ms. Tsuji will bring historical background and perspective to the Council, as she previously served as Chairperson of the Council. Your Committee further finds that Ms. Tsuji's experience in workforce training, as well as her background in public safety, will be assets to the Workforce Development Council.

MIRIAM WINONA WHITMAN

Your Committee received testimony in support of the nomination for the appointment of Miriam Winona Whitman from the Workforce Development Council.

Your Committee finds that Ms. Winona Whitman has thirty-seven years of non-profit experience. Since 1979, Ms. Winona Whitman has worked at Alu Like, Inc., a non-profit organization for Native Hawaiians, as the Director of the Department of Employment and Training and is responsible for the oversight of the employment and training program, including objectives and performance goals. Ms. Winona Whitman is also a member of various organizations, including the national Advisory Council of the National Indian and Native American Employment and Training Conference, Ko'olaupoko Hawaiian Civic Club, and Prince Kuhio Hawaiian Civic Club. Testimony submitted by the Workforce Development Council notes that Ms. Winona Whitman has extensive knowledge of the Indian and Native American Programs Workforce Innovation and Opportunity Act of 2014, Section 166, and will assist the Council in providing guidance on Native Hawaiian issues. Your Committee further finds that Ms. Winona Whitman's knowledge of Native Hawaiian matters will be an asset to the Workforce Development Council.

RICHARD VIEIRA

Your Committee received testimony in support of the nomination for the appointment of Richard Vieira from the Workforce Development Council; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Hawaii Glaziers Architectural Metal Glassworkers Local Union 1889 AFL-CIO Stabilization Trust Fund; Carpet, Linoleum, and Soft Tile Local Union 1926 Market Recovery Trust Fund; Painting and Decorating Contractors Association of Hawaii; and International Union of Painters and Allied Trades, District Council 50.

Your Committee finds that Mr. Vieira has over forty-five years of experience in the painting and decorating industry. Mr. Vieira served as Training Coordinator for the Painting Industry of Hawaii for twenty years and is currently the Director of Training for the International Union of Painters and Allied Trades, District Council 50. As Director of Training, Mr. Vieira oversees all skills and safety training classes for District Council 50, a multi-trade construction union. Mr. Vieira actively serves the community as the Chair of the Hawaii Job Corps Industry Council and served for eight years as a member of the State Apprenticeship Council. Testimony submitted by the Workforce Development Council notes that Mr. Vieira will assist the Council in identifying barriers associated with preparing and positioning local employees for positions that are traditionally held by employees from the mainland. Your Committee further finds that Mr. Vieira's experience in the construction industry, as well as his commitment to recruitment and training programs, will be assets to the Workforce Development Council.

BARRY TANIGUCHI

Your Committee received testimony in support of the nomination for the appointment and reappointment of Barry Taniguchi from the Workforce Development Council, Chamber of Commerce Hawaii, PonoHolo Ranch, Hawaii Food Industry Association, and one individual.

Your Committee finds that Mr. Taniguchi has worked as the Chief Executive Officer of KTA Super Stores and K. Taniguchi, Ltd. for twenty-seven years and served as Chairman since February 2014. Mr. Taniguchi is active in the community, as he currently serves on numerous boards and participates in various organizations, including President of the Board of Directors for the Aloha Council, Boy Scouts of America; President of the Board of Directors of Community First; President of the Board of Directors of Hilo High School Foundation; member of Hawaii Island Economic Development's Board of Directors; and member of Public Schools of Hawaii Foundation's Board of Trustees. Testimony submitted by the Workforce Development Council notes that Mr. Taniguchi's experience leading a locally-based grocery store chain and board membership experience will benefit the Council. Your Committee further finds that Mr. Taniguchi's leadership experience, as well as his statewide commitment to developing the workforce, will be assets to the Workforce Development Council.

CARL HINSON

Your Committee received testimony in support of the nomination for the appointment of Carl Hinson from the Workforce Development Council.

Your Committee finds that Mr. Hinson has extensive experience in developing a skilled workforce in the health care industry on the mainland and in Hawaii. Since May 2005, Mr. Hinson has worked as the Director of Workforce Development at Hawai'i Pacific Health. As the Director, Mr. Hinson is responsible for the development and administration of workforce development strategies to ensure achievement of Hawai'i Pacific Health's mission and has initiated a number of programs to enhance employee training, provide health care industry internships, and improve the new-hire orientation process. Mr. Hinson is active in the community, as he currently serves as Chair of Lanakila Pacific's Board of Directors and has been a member of the Workforce Development Council for the past seven years. Testimony submitted by the Workforce Development Council notes that Mr. Hinson's workforce knowledge and experience will benefit the Council. Your Committee further finds that Mr. Hinson's experience as a current member of the Workforce Development Council, as well as his professional background, will be assets to the Workforce Development Council.

SUNSHINE TOPPING

Your Committee received testimony in support of the nomination for the appointment of Sunshine Topping from the Workforce Development Council, Chamber of Commerce Hawaii, Society for Human Resource Management, and nine individuals.

Your Committee finds that Ms. Topping has over nineteen years of human resource management experience in several types of industries and ten years of progressively responsible executive management experience. Ms. Topping has served as the State's Director of Human Resources Development and is currently the Vice President of Human Resources at Hawaiian Telcom, overseeing human resources for approximately one thousand five hundred employees. Ms. Topping has been a member of the Workforce Development Council since 2013, and is an active member of the community, currently serving as a Society for Human Resource Management Board member, Hawaii Language Roadmap Initiative Co-chair, and Halau Kupukupu Kealoha member. Testimony submitted by the Workforce Development Council notes Ms. Topping's interest to continue to serve on the Council and her participation on Council committees. Your Committee further finds that Ms. Topping's experience as a current member of the Workforce Development Council, as well as her human resource management background, will be assets to the Workforce Development Council.

SEAN KNOX

Your Committee received testimony in support of the nomination for the appointment of Sean Knox from the Workforce Development Council, Hawaii Literacy, Ponoholo Ranch, and The Hawaii Group, Inc.

Your Committee finds that Mr. Knox has over fifteen years of experience in professional staffing in Hawaii. Mr. Knox established POI Employer Services, LLC, a professional employer organization, to assist employers in Hawaii with securing temporary administrative and accounting professionals. Mr. Knox is currently the President and Chief Executive Officer of Hawaii Employment Services, Inc., which has locations throughout the State and places employees in the agriculture, construction, professional, hospitality, technical, and education sectors. Mr. Knox actively serves the community as a member of the Hawaii Literacy Board, Accounting Program Advisory Committee of Kapiolani Community College, and Hawai'i Lodging and Tourism Authority. Testimony submitted by the Workforce Development Council notes that Mr. Knox's experience working with employers and employees will be valuable to the Council. Your Committee further finds that Mr. Knox's professional experience, as well as his familiarity of various sectors within the community, will be assets to the Workforce Development Council.

SHERYL NOJIMA

Your Committee received testimony in support of the nomination for the appointment of Dr. Sheryl Nojima from the Workforce Development Council, American Council of Engineering Companies of Hawaii, SSFM International, and two individuals.

Your Committee finds that Dr. Nojima has thirty-two years of experience in civil engineering, including fifteen years as an engineering employer. Dr. Nojima is the President of Gray, Hong, Nojima & Associates, Inc., and is responsible for the firm's business development and administration and environmental and civil services. Dr. Nojima is active in the community, as she currently serves on the American Council of Engineering Companies of Hawaii's Board of Directors and has mentored civil engineering students at the University of Hawaii at Manoa. Testimony submitted by the Workforce Development Council notes that Dr. Nojima's experience and knowledge of the engineering and construction industries will provide guidance to the Council on the needs of these industries. Your Committee further finds that Dr. Nojima's familiarity of workforce issues facing engineers, as well as her involvement with numerous civil projects and environmental reviews, will be assets to the Workforce Development Council.

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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3650 Public Safety, Intergovernmental, and Military Affairs on H.C.R. No. 40

The purpose and intent of this measure is to request that the Secretary of the Air Force provide eight-person firing parties at the funerals of all United States Air Force veterans and retirees who were discharged or released under conditions other than dishonorable.

Your Committee received testimony in support of this measure from the Office of Veterans' Services and two individuals.

Your Committee finds that the branches of the United States Armed Forces that perform funeral honors for eligible veterans and retirees in Hawaii historically include an honors detail consisting of two individuals to fold and present the internment flag, one individual to play Taps, and a firing team to perform a three-volley salute at the funeral. As of December 1, 2015, the United States Air Force reduced their honors detail at funerals for veterans to eliminate the firing team while the firing team is still required for funerals

of active duty Air Force members. Your Committee further finds that Air Force veterans and retirees have earned the gratitude of the nation through their service and deserve complete honors details at the occasion of their funerals.

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. 40, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 3651 Public Safety, Intergovernmental, and Military Affairs on H.C.R. No. 129

The purpose and intent of this measure is to designate June 27, 2016, as “Post-Traumatic Stress Awareness Day” to encourage public, private, and military service providers to continue raising awareness about the causes, symptoms, and treatment for post-traumatic stress injuries.

Your Committee received testimony in support of this measure from the Department of Defense, Office of Veterans’ Services, and five individuals.

Your Committee finds that post-traumatic stress affects many people, including combat veterans, victims of violent crimes or events, and survivors of natural and human-caused disasters. Historically, post-traumatic stress has been viewed as a mental disorder, which has led to misconceptions about the nature of post-traumatic stress and stigmatization of those experiencing it. Your Committee further finds that these misconceptions and stigmatizations discourage those suffering from post-traumatic stress from seeking treatment. Your Committee additionally finds that educating individuals who suffer from post-traumatic stress, as well as the general public, about the nature and causes of post-traumatic stress can reduce the stigma associated with it and encourage those suffering from it to seek timely treatment.

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. 129, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Slom).

SCRep. 3652 Transportation and Energy on H.C.R. No. 130

The purpose and intent of this measure is to request the Governor to take all necessary action to rename and designate the section of Kapule Highway from Rice Street to Ahukini Road in the County of Kaua’i as the Kaua’i Veterans Memorial Highway.

Your Committee received testimony in support of this measure from the Mayor of the County of Kaua’i and Kauai Veterans Council.

Your Committee finds that the dedication and sacrifice of the men and women of the United States Armed Forces who have courageously served this country must be honored and not forgotten. It is imperative that the State of Hawaii recognize and honor all veterans of the United States Armed Forces in a tangible, permanent manner that can serve as a constant reminder of their sacrifice, dedication, and service. This measure will provide a means of recognizing those veterans.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 130, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3653 Education on H.C.R. No. 180

The purpose and intent of this measure is to request the Department of Education to establish a task force to create a plan to address overcrowding in public schools in Kapolei, Ewa, and Waipahu.

Your Committee received testimony in support of this measure from the Hawaii State Teachers Association and two individuals. Your Committee received comments on this measure from the Department of Education.

Your Committee finds that overcrowding is a serious issue in many of Hawaii’s schools. When overcrowding occurs in schools, it adversely effects teaching conditions for teachers and learning conditions for students. Research indicates that students in overcrowded conditions perform significantly lower on achievement tests than students in more comfortable classroom environments. Your Committee further finds that increasingly overcrowded conditions in many public schools in the State require immediate correction, and your Committee notes that the Department of Education is currently developing a plan to address the issue through construction of new school and classroom facilities.

Your Committee has amended this measure by:

- (1) Removing the task force;
- (2) Requesting the Department of Education to further develop and implement a plan to address overcrowding in public schools;
- (3) Requesting the Department of Education to include input on the plan from the Hawaii State Teachers Association and the legislators from areas included in the plan;
- (4) Adding Mililani and Pearl City as areas to be included in the plan;
- (5) Changing its title to reflect its amended purpose; 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 concurs with the intent and purpose of H.C.R. No. 180, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 180, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 3654 Education on H.C.R. No. 74

The purpose and intent of this measure is to urge the Department of Education to include neighbor island school complexes in heat abatement studies, determine heat abatement priority rankings for schools using scientific data and methods, and increase transparency in the methodology used to determine priority rankings.

Your Committee received testimony in support of this measure from the Department of Education, Hawaii State Teachers Association, and two individuals.

Your Committee finds that many students in Hawaii have been subjected to hot classroom conditions which make it difficult for them to concentrate on learning. Temperatures inside some of Hawaii's schools can reach well over one hundred degrees in the summer. Your Committee further finds that school heat abatement measures are being developed throughout the State, and that the schools with the highest temperatures during school hours should have the highest priority as these heat abatement measures are put into effect. This measure will help to address some of the concerns that have been raised regarding the existing method of determining priority of schools for heat abatement.

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. 74, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Harimoto, Slom).

SCRep. 3655 Water, Land, and Agriculture on H.C.R. No. 34

The purpose and intent of this measure is to request the Department of Agriculture to examine the feasibility of decommissioning and relocating the animal quarantine station in Halawa Valley.

Your Committee received comments on this measure from the Department of Agriculture.

Your Committee finds that the Rabies Quarantine Program prevents the entry of dogs, cats, and other carnivores with the rabies virus to maintain Hawaii's status as the only state in the nation that is rabies-free. In 2003, the Direct Airport Release Program was introduced and has reduced the number of dogs and cats housed at the Animal Quarantine Station by allowing dogs and cats meeting specified requirements to no longer require quarantine and be released directly from the airport upon entering Hawaii. In 2015, approximately eighty-nine percent of animals qualified for release after inspection. Your Committee further finds that the facilities at the Animal Quarantine Station were constructed in the early 1980s when the Rabies Quarantine Program required that all dogs and cats entering Hawaii be quarantined for 120 days and currently houses 200 to 280 dogs and cats daily. Your Committee finds that the relocation and decommissioning of the Animal Quarantine Station may result in increased efficiencies of the Department of Agriculture and therefore finds examination of the feasibility of such actions to be warranted.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture 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, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 3656 Water, Land, and Agriculture on H.C.R. No. 160

The purpose and intent of this measure is to urge the Department of Land and Natural Resources to increase active patrols of Kailua Bay, expand no wake speed zones, and enforce boating safety rules.

Your Committee received testimony in support of this measure from the Kailua Neighborhood Board and one individual. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee finds that following the death of a free diver and serious injury of another resulting from an accident involving boat propellers in Kailua Bay, it is of the utmost importance that recreational users of the bay practice ocean safety. Your Committee further finds that increased patrol and enforcement of safety rules will encourage residents and tourists to follow ocean safety protocol and help to lower the chances of any further deaths or injuries to recreational ocean users.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 160, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 3657 Water, Land, and Agriculture on H.C.R. No. 162

The purpose and intent of this measure is to request that the Waipi'o Valley Stakeholders Alliance coordinate with the Bishop Museum, Kamehameha Schools, Friends of the Future, County of Hawai'i, Office of Hawaiian Affairs, Trust For Public Land, State of Hawai'i, and other interested parties who may be invited by the Waipi'o Valley Stakeholders Alliance to provide their guidance and mana'o regarding the future preservation and stewardship of Waipi'o Valley.

Your Committee received testimony in support of this measure from the Aha Moku Advisory Committee and one individual.

Your Committee finds that Waipi'o Valley is a revered wahi pana, or sacred place, on the island of Hawaii and has served as a cultural and demographic center for the Native Hawaiian culture for many centuries, housing precious resources including multiple heiau, an extensive taro lo'i and auwai system, fishponds, burial sites, ocean culture, and incomparable scenic beauty. Your Committee further finds that the Bishop Museum has owned and managed five hundred thirty-seven acres of Waipi'o Valley property, representing approximately sixty percent of the valley floor, for the past one hundred thirty years and has publicly announced its intent to sell its interest in order to enable the museum to move forward with a new strategic management plan. The Waipi'o Valley Stakeholders Alliance is fully committed to take the lead on stewardship efforts to transition the Bishop Museum lands and is currently working with many stakeholders, community leaders from groups who have experienced similar situations, and others who have expertise in land acquisition and land management to identify possible options that will ensure that Bishop Museum can remain solvent and continue its important work caring for Hawaii's cultural treasures, while at the same time honoring Waipi'o Valley's past, present, and future to ensure that the land remains in the hands of the Waipi'o families as it has for centuries.

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, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 162, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 162, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 3658 (Joint) Water, Land, and Agriculture and Economic Development, Environment, and Technology on H.C.R. No. 203

The purpose and intent of this measure is to request the Department of Agriculture to promote the expansion of agricultural commerce by engaging in consultations and discussions with various stakeholders to facilitate the ability for farmers to construct enclosed country stores on agriculture-zoned lands.

Your Committees received testimony in support of this measure from the Department of Agriculture and one individual.

Your Committees find that farmers who live on agricultural land are currently prohibited by zoning laws from constructing and operating enclosed country stores to sell products grown or crafted from their farms. Your Committees further find that enclosed country stores would be a simple and effective way for many farmers to generate additional revenue, provide the public with greater access to local agricultural products, and increase support and awareness of local agriculture.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Economic Development, Environment, and Technology that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 203, H.D. 1, and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Galuteria, Thielen, Slom).

SCRep. 3659 Public Safety, Intergovernmental, and Military Affairs on H.C.R. No. 23

The purpose and intent of this measure is to urge the United States Congress to amend federal law to allow funds for the burial of qualified Filipino-American veterans in national and state veterans cemeteries to cover the cost of transporting the remains of Filipino-American veterans of World War II to the Philippines and for funeral and burial services in the Philippines.

Your Committee received testimony in support of this measure from the Office of Veterans' Services and three individuals.

Your Committee finds that almost 100,000 soldiers of the Philippine Commonwealth Army fought alongside United States and Allied forces in World War II. The United States promised these Filipino soldiers pay and benefits for their military service under the United States Armed Forces. Your Committee further finds that, among other benefits, these veterans have earned the right to be buried in a national or state veterans cemetery.

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. 23, and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3660 Transportation and Energy on H.C.R. No. 169

The purpose and intent of this measure is to request the Department of Transportation to:

- (1) Begin construction of the Leeward Bikeway in 2016; and
- (2) Report to the Legislature on the progress of construction no later than twenty days before the convening of the Regular Session of 2017.

Your Committee received testimony in support of this measure from the Department of Transportation, The Trust for Public Land, American Diabetes Association, Hawaii Public Health Institute, Hawaii Bicycling League, and numerous individuals.

Your Committee finds that in 1980, the right-of-way for the Leeward Bikeway on the Island of Oahu was transferred from the United States government to the State of Hawaii. In 1995, the Legislature appropriated funds for the Leeward Bikeway. In the 2006 General Election, seventy-two percent of Oahu residents voted to amend the Revised Charter of Honolulu to make Oahu more

pedestrian- and bicycle-friendly. Your Committee further finds that community advocates have spent considerable time pursuing the completion of the multi-use path that links the Pearl Harbor Historic Trail to Nanakuli.

The Department of Transportation and the Federal Highway Administration are willing to cooperate and coordinate with all relevant parties to complete the process so that construction of the Leeward Bikeway may commence. The multi-use path will give Leeward Oahu residents another transportation option to work and school.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 169, and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3661 Hawaiian Affairs on H.C.R. No. 188

The purpose and intent of this measure is to establish a Public Land Trust Revenues Negotiating Committee to discuss the appropriate amount of income and proceeds from the public land trust that the Office of Hawaiian Affairs will receive as its pro rata portion of the public land trust.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs, Department of the Attorney General, Ko'olaupoko Hawaiian Civic Club, Association of Hawaiian Civic Clubs, and seven individuals. 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 Act 178, Session Laws of Hawaii 2006, was not intended to be the final resolution to the issue of the pro rata portion of the public land trust that the Office of Hawaiian Affairs is to receive. Your Committee further finds that this measure will advance the process of resolving this funding issue between the Office of Hawaiian Affairs and the State.

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. 188, H.D. 1, and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

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

SCRep. 3662 Judiciary and Labor on H.C.R. No. 4

The purpose and intent of this measure is to request the Auditor to conduct a management audit of the asset forfeiture program of the Department of the Attorney General and submit its findings and recommendations, including any proposed legislation, to the Legislature prior to the convening of the Regular Session of 2017.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons; The Drug Policy Action Group; The Drug Policy Forum of Hawaii; American Civil Liberties Union of Hawaii; PJY Enterprises, LLC; and eleven individuals. Your Committee received comments on this measure from the Department of the Attorney General and one individual.

Your Committee finds that the Department of the Attorney General is responsible for operating the asset forfeiture program to administratively process forfeitures of personal property worth less than \$100,000, or forfeitures of any vehicle or conveyance, regardless of value, except for real property, pursuant to chapter 712A, Hawaii Revised Statutes. The Attorney General is authorized to dispose of property forfeited to the State through administrative or judicial proceedings. The Attorney General distributes a portion of the forfeited currency and sale proceeds of forfeited property to the agency that seized the property and the prosecuting attorney that initiated the administrative or judicial forfeiture proceeding and deposits the remaining portion into the criminal forfeiture fund. The distributed property is required to be used for law enforcement purposes and may be used to supplement, but not supplant, funds regularly appropriated to law enforcement agencies.

Your Committee further finds that civil asset forfeitures have led to abuse by law enforcement and notes that it has been twenty years since the Auditor has conducted an audit of the program. By requesting the Auditor to conduct a management audit, this measure will assist in ensuring that the civil asset forfeiture program achieves its original purpose of penalizing individuals who seek profit from illegal activities.

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. 4, and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 3663 Judiciary and Labor on H.C.R. No. 44

The purpose and intent of this measure is to urge the Judiciary to examine the feasibility and potential benefits of establishing driving while impaired (DWI) court programs in Kona and Hilo and report its findings and recommendations to the Legislature prior to the convening of the Regular Session of 2017.

Your Committee received testimony in support of this measure from the Judiciary and two individuals.

Your Committee finds that impaired driving is a threat to public safety. DWI court programs are post-conviction programs that use intensive supervision and long-term treatment to change the behavior of repeat impaired driving offenders. The DWI court program on Oahu has had a zero percent recidivism rate for subsequent impaired driving arrest of those who graduated from the program compared

to the twenty percent recidivism rate for subsequent impaired driving arrests among those who were eligible for the DWI court program but who chose not to participate. Due to Hawaii island having the highest per capita incidence of impaired driving of all counties in the State, this measure will assist the Judiciary in determining the feasibility of establishing a DWI court program on the island of Hawaii that is similar to the program on Oahu.

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. 44, and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 3664 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 852 and 853

Recommending that the Senate advise and consent to the nominations of the following:

STATE BOARD OF PUBLIC ACCOUNTANCY

G.M. No. 852 GABRIEL LEE, for a term to expire 06-30-2020; and

G.M. No. 853 GARY MIYASHIRO, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Gabriel Lee and Gary Miyashiro to possess the requisite qualifications to be nominated to the State Board of Public Accountancy.

GABRIEL LEE

Your Committee received testimony in support of the nomination for the appointment of Gabriel Lee from the Department of Commerce and Consumer Affairs and Chamber of Commerce Hawaii.

Upon review of the testimony, your Committee finds that Mr. Lee's background, knowledge, and prior experience on the State Board of Public Accountancy qualify him to be nominated for reappointment to the State Board of Public Accountancy as a public member. Your Committee notes that Mr. Lee has over thirty years' experience in the banking industry and is the Executive Vice President, Commercial Markets, for American Savings Bank, where he oversees corporate banking, commercial banking, commercial real estate, cash management, and international services. Mr. Lee is also an active member of his community and serves in leadership positions on several boards of directors, including as the current Chair of the Chamber of Commerce Hawaii. Your Committee further finds that Mr. Lee has been a member of the State Board of Public Accountancy since July 2012 and his unique experience as a commercial banker who works frequently with accounting professionals brings a valuable public perspective that continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Lee be reappointed to the Board of Public Accountancy based on his knowledge, experience, and commitment to public service.

GARY MIYASHIRO

Your Committee received testimony in support of the nomination for the appointment of Gary Miyashiro from the Department of Commerce and Consumer Affairs.

Upon review of the testimony, your Committee finds that Mr. Miyashiro's background, experience, and commitment to community service qualify him to be nominated for appointment to the State Board of Public Accountancy as a licensed and actively practicing Certified Public Accountant member. Your Committee notes that Mr. Miyashiro has been a licensed Certified Public Accountant in Hawaii since 1994 and has held key positions as a Certified Public Accountant and a fiscal officer for different Hawaii companies since the 1990s. Mr. Miyashiro is currently the President of MC Group Hawaii, Inc., a public accounting firm in Honolulu that offers accounting, auditing, and tax and business consulting. Mr. Miyashiro is also a member of several professional organizations, including the Hawaii Association of Public Accountants and Hawaii Society of Certified Public Accountants. Your Committee further finds that Mr. Miyashiro has a thorough understanding of the role and responsibilities of board members and recommends that Mr. Miyashiro be appointed to the State Board of Public Accountancy based on his knowledge, background, and dedication to serving the public.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3665 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 859, 860, 861, 862, and 863

Recommending that the Senate advise and consent to the nominations of the following:

CONTRACTORS LICENSE BOARD

G.M. No. 859 PETER LEE, for a term to expire 06-30-2019;

G.M. No. 860 TYRUS KAGAWA, for a term to expire 06-30-2020;

G.M. No. 861 LESLIE ISEMOTO, for a term to expire 06-30-2018;

G.M. No. 862 KENT MATSUZAKI, for a term to expire 06-30-2020; and

G.M. No. 863 JOHN POLISCHECK, JR., for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Peter Lee, Tyrus Kagawa, Leslie Isemoto, Kent Matsuzaki, and John Polischek, Jr., to possess the requisite qualifications to be nominated to the Contractors License Board.

PETER LEE

Your Committee received testimony in support of the nomination for the reappointment of Peter H.M. Lee from the Department of Commerce and Consumer Affairs; Hawai'i Construction Alliance; Hawaii Operating Engineers Industry Stabilization Fund; General Contractors Association of Hawaii; International Brotherhood of Electrical Workers Local Union 1186; Operating Engineers Local 3; International Union of Painters and Allied Trades, District Council 50; Pacific Resource Partnership; Commercial Roofing & Waterproofing Hawaii, Inc.; Genba Hawaii, Inc.; Laborers' International Union of North American Local 368; Rons Construction Corporation; Ralph S. Inouye Co., Ltd.; SSFM International, Inc.; Pat Lee & Associates, LLC; Building Industry Association of Hawaii; Hawaii Laborers-Employers Cooperation and Education Trust; and seven individuals.

Upon review of the testimony, your Committee finds that Mr. Lee's background, experience, and proven leadership on the Contractors License Board qualify him to be nominated for reappointment to the Contractors License Board as a public member. Your Committee notes that Mr. Lee has worked in the construction industry for over twenty years and is currently the Construction Compliance Officer for the Hawaii Laborers-Employers Cooperation and Education Trust and a Director with the Hawaii Procurement Institute. Mr. Lee's diverse professional background also includes prior experience as a project engineer, project manager, and market and compliance researcher, which has enabled him to gain familiarity with all aspects of the construction industry. Your Committee further finds that Mr. Lee has been a member of the Contractors License Board since July 2011 and is the Chairperson of the Board's Legislative Committee, and his understanding of the procurement process, construction industry, and licensing procedures continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Lee be reappointed to the Contractors License Board based on his knowledge, background, and commitment to public service.

TYRUS KAGAWA

Your Committee received testimony in support of the nomination for the reappointment of Tyrus Kagawa from the Department of Commerce and Consumer Affairs; Commercial Roofing & Waterproofing Hawaii, Inc.; Plumbing and Mechanical Contractors Association of Hawaii; and Subcontractors Association of Hawaii.

Upon review of the testimony, your Committee finds that Mr. Kagawa's knowledge, background, and proven leadership on the Contractors License Board qualify him to be nominated for reappointment to the Contractors License Board as a specialty contractor member. Your Committee notes that Mr. Kagawa has been in the construction industry for thirty-five years and has an extensive background on a variety of large construction projects, including commercial buildings, condominiums, hotels, hospitals, and industrial piping projects. Mr. Kagawa is currently the Vice-President of Oahu Plumbing and Sheet Metal, Ltd., is licensed in Hawaii as a contractor, plumber, and engineer, and holds specialty contractor classifications in boiler, hot water heating, and steam fitting; plumbing; and ventilating and air conditioning. Your Committee further finds that Mr. Kagawa has been a member of the Contractors License Board since July 2012 and is the Chairperson of the Board's Rules Committee, and his diverse background and prior membership on the Board of Electricians and Plumbers continue to enhance the discussions of the Board. Your Committee therefore recommends that Mr. Kagawa be reappointed to the Contractors License Board based on his background, experience, and dedication to public service.

LESLIE ISEMOTO

Your Committee received testimony in support of the nomination for the appointment of Leslie Isemoto from the Department of Commerce and Consumer Affairs; Hawaii Laborers-Employers Cooperation and Education Trust; Hawai'i Island Chamber of Commerce; Hawaii Island Contractors' Association; Contractors Association of Kaua'i, Board of Directors; Hawai'i Construction Alliance; General Contractors Association of Hawaii; Pacific Resource Partnership; A.P. Water Supply, Inc.; Water Resources International, Inc.; Allied Machinery Corporation; Takamine Construction, Inc.; Genba Hawaii, Inc.; Kalama Evans Construction, LLC; Loeffler Construction, Inc.; KTA Super Stores; Laborers' International Union of North American Local 368; Building Industry Association of Hawaii; Hawaii Operating Engineers Industry Stabilization Fund; Ralph S. Inouye Co., Ltd.; Johansen Contracting, Inc.; and five individuals.

Upon review of the testimony, your Committee finds that Mr. Isemoto's background, experience, and commitment to public service qualify him to be nominated for appointment to the Contractors License Board as a general contractor member. Your Committee notes that Mr. Isemoto has more than thirty years' experience in the construction industry, holds general engineering and general building contractor licenses, and is the President and Responsible Managing Employee for Isemoto Contracting Co., Ltd., in Hilo, Hawaii. Mr. Isemoto is extremely active in his profession and his community, including serving as past President of the Hawaii Island Contractors' Association; member of the Hawaii Island Chamber of Commerce, Japanese Chamber of Commerce and Industry, and General Contractors Association of Hawaii; past Chairperson of the Waiakea Settlement YMCA; and former member and Vice Chairperson of the Contractors License Board. Your Committee further finds that Mr. Isemoto has served as an interim member of the Contractors License Board since January 2016 and has a thorough understanding of the role and responsibilities of board members, and therefore recommends that Mr. Isemoto be appointed to the Contractors License Board based on his knowledge, experience, and dedication to serving the community.

KENT MATSUZAKI

Your Committee received testimony in support of the nomination for the reappointment of Kent Matsuzaki from the Department of Commerce and Consumer Affairs; Plumbing and Mechanical Contractors Association of Hawaii; Ralph S. Inouye Co., Ltd.; and Subcontractors Association of Hawaii.

Upon review of the testimony, your Committee finds that Mr. Matsuzaki's background, knowledge, and prior experience on the Contractors License Board qualify him to be reappointed to the Contractors License Board as a specialty contractor member. Your Committee notes that Mr. Matsuzaki has been involved in the construction industry for over thirty years and has experience in all

aspects of contracting, including estimating, project management, field supervision, and financial budgeting. Mr. Matsuzaki is also a mechanical engineer; is the President and Responsible Managing Employee of Economy Plumbing and Sheet Metal, Inc.; is the Managing Member of Island Wide A/C Service, LLC; and holds specialty contractor classifications in boiler, hot water heating, and steam fitting; plumbing; and ventilating and air conditioning. Your Committee further finds that Mr. Matsuzaki has been a member of the Contractors License Board since July 2012 and his extensive experience in the construction industry and mechanical engineering background will continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Mr. Matsuzaki be reappointed to the Contractors License Board based on his knowledge, experience, and commitment to public service.

JOHN POLISCHECK, JR.

Your Committee received testimony in support of the nomination for the reappointment of John Polischek, Jr., from the Department of Commerce and Consumer Affairs; General Contractors Association of Hawaii; Bank of Hawaii; Hawaii PV Coalition; Commercial Roofing and Waterproofing Hawaii, Inc.; and two individuals.

Upon review of the testimony, your Committee finds that Mr. Polischek's knowledge, background, and proven leadership on the Contractors License Board qualify him to be reappointed to the Contractors License Board as a general contractor member. Your Committee notes that Mr. Polischek has more than thirty years' experience in the construction industry, holds general engineering and general building contractor licenses, and is the President and Co-Owner of American Piping and Boiler Co., a large heavy industrial general contractor company in Kapolei, Oahu, where he is directly involved with all aspects of company operations, including estimating, financing, negotiations, field operations, and equipment rental. Your Committee finds that Mr. Polischek has been a member of the Contractors License Board since July 2011, currently serves as the Board's Vice Chairperson, and also volunteers to attend meetings of the Board's Applications and Rules Committee. Your Committee further finds that Mr. Polischek's extensive industry experience and leadership abilities continue to enhance the effectiveness of Board discussions and therefore recommends that Mr. Polischek be reappointed to the Contractors License Board based on his background, experience, and dedication to public service.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3666 (Joint) Public Safety, Intergovernmental, and Military Affairs and Commerce, Consumer Protection, and Health on H.C.R. No. 80

The purpose and intent of this measure is to urge the Hawaii Emergency Management Agency of the Department of Defense to develop and implement a statewide emergency management simulation exercise.

Your Committees received testimony in support of this measure from one individual. 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 Defense and Disability and Communication Access Board.

Your Committees find that Hawaii is extremely geographically isolated, with its nearest neighbor no less than 2,200 miles away. As a result of this isolation, the State is dependent on sea and air transportation for many vital goods and products. Your Committees further find that, in the event of a major disaster that simultaneously affects many critical sectors of the community, the State would probably be forced to undertake emergency response efforts without outside assistance for a prolonged period of time before adequate federal disaster relief aid could be organized and mobilized. Hawaii has never experienced a major disaster that simultaneously disrupts many critical sectors of the community, so it is unclear whether the State would have the resiliency to appropriately respond to such a disaster if it did occur. Your Committees additionally find that a comprehensive emergency management simulation exercise would help the State to be better prepared in the event of a major disaster. Your Committees also find that a comprehensive emergency management simulation could be incorporated into the Hawaii Emergency Management Agency's existing Makani Palihi exercises.

Your Committees further find that many at-risk persons, including persons with disabilities, elderly persons, children, and persons with limited English proficiency, have special needs that should be adequately considered in the event of a major disaster.

Your Committees have amended this measure by:

- (1) Requesting the Hawaii Emergency Management Agency to incorporate the emergency management simulation exercise into the annual Makani Palihi exercise;
- (2) Requesting that the Hawaii Emergency Management Agency include the Disability and Communication Access Board as a partner in the Makani Palihi exercise; 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 Commerce, Consumer Protection, and Health that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 80, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 80, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).
Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3667 (Joint) Commerce, Consumer Protection, and Health and Public Safety, Intergovernmental, and Military Affairs on H.C.R. No. 32

The purpose and intent of this measure is to request the convening of a task force to examine cancer in the firefighting profession.

Your Committees received testimony in support of this measure from the Hawaii Fire Fighters Association, Hawaii State Fire Council, Maui Fire Department, and four individuals. Your Committees received comments on this measure from the Department of Health and University of Hawai'i System.

Your Committees find that University of Cincinnati environmental health researchers have determined that firefighters are significantly more likely to develop various types of cancer than workers in other fields. A firefighter's cancer diagnosis can have an enormous impact on a spouse, children, and other family members, including a heavy emotional toll, financial costs, and a decreased quality of life. Your Committees further find that thirty-four states and nine Canadian provinces have enacted cancer presumptive statutes, which create a presumption that certain types of cancer diagnosed among firefighters result from their employment as firefighters.

Your Committees have amended this measure by:

- (1) Adding the Fire Chief from each county, or the Chief's designee, to the task force; 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, Consumer Protection, and 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. 32, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 32, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.

Commerce, Consumer Protection, and Health: Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

Public Safety, Intergovernmental, and Military Affairs: Ayes, 3. Noes, none. Excused, 2 (Inouye, Slom).

SCRep. 3668 Commerce, Consumer Protection, and Health on H.C.R. No. 65

The purpose and intent of this measure is to request the Auditor to perform a sunrise analysis of the regulation of Certified Professional Midwives.

Your Committee received testimony in support of this measure from the American Congress of Obstetricians and Gynecologists, Hawaii Section; Midwives Alliance of Hawaii; Kona Birth and Midwifery Services; and nine individuals. Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that Certified Professional Midwives are knowledgeable, skilled, and professional independent midwifery practitioners who have met the standards for certification set by the North American Registry of Midwives. Although Certified Professional Midwives are regulated and authorized to practice in thirty states, they are not subject to regulation in Hawaii. Your Committee further finds that it has been seventeen years since the last sunrise analysis was conducted by the Auditor, and an updated study of the regulation of this profession is therefore needed.

Your Committee additionally finds that this measure requests the Auditor to conduct a sunrise analysis on the regulation of Certified Professional Midwives, as proposed by House Bill No. 1899, H.D. 1, Regular Session of 2016. The Auditor's analysis would set forth the probable effects of the proposed regulatory measure, assess whether its enactment is consistent with section 26H-2, Hawaii Revised Statutes, and assess alternative forms of regulation. Your Committee notes that a sunrise analysis is the necessary next step to determine whether regulation in Hawaii of Certified Professional Midwives is warranted.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 65, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3669 Commerce, Consumer Protection, and Health on H.C.R. No. 66

The purpose and intent of this measure is to request the Prevent Suicide Hawaii Task Force to:

- (1) Examine, evaluate, and determine methods to improve education, awareness, support services, and outreach to prevent suicide in the State;
- (2) Form a temporary subcommittee to assist in the development of the Prevent Suicide Hawaii Task Force's recommendations; and
- (3) Recommend a strategic plan to reduce suicides in the State by at least twenty-five percent by 2025, and report its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the Regular Session of 2018.

Your Committee received testimony in support of this measure from the Department of Health; American Foundation for Suicide Prevention, Hawai'i Chapter; O'ahu Prevent Suicide Hawai'i Taskforce; Hawaii Catholic Conference; Hawaii Family Forum; and thirteen individuals.

Your Committee finds that suicide is a major health concern that claims approximately one million lives worldwide each year. In Hawaii, suicide was the most common cause of fatal injuries between 2010 and 2014, accounting for one out of every four fatal injuries.

Your Committee further finds that the Prevent Suicide Hawaii Task Force is a partnership of state, public, and private agencies and community groups working in collaboration to provide leadership, develop strategies, coordinate activities, and monitor progress of suicide prevention efforts in the State. The Prevent Suicide Hawaii Task Force provides leadership for suicide prevention activities statewide, including National Suicide Prevention Week and suicide prevention conferences. Because there is concern about the health, safety, and welfare of all the people of Hawaii, including military personnel, veterans, and visitors, it is critical to develop a strategic plan to reduce suicides in the State.

Your Committee has amended this measure by:

- (1) Amending the Governor's appointees to the task force by increasing the number from three to four, specifying that each member be from each county, and requesting that two, rather than one, be survivors of attempted suicide or suicide loss survivors; 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, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 66, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 66, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3670 Commerce, Consumer Protection, and Health on H.C.R. No. 157

The purpose and intent of this measure is to request the Insurance Division of the Department of Commerce and Consumer Affairs to conduct a survey of the medical professional community to determine the extent of the development of accountable care organizations and direct care or "concierge medicine" within the community and the impact these business arrangements have on the ability of patients to access primary care services in the State.

Your Committee received comments on this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that the federal Patient Protection and Affordable Care Act of 2010 has prompted tremendous reform and change throughout the health care industry in Hawaii and across the nation. One type of reform has been the development of accountable care organizations, which are networks of physicians, specialists, hospitals, and other health care providers that share financial and medical responsibility, with a goal to provide coordinated, high quality primary care to patients while avoiding unnecessary duplication of services and preventing unnecessary hospitalizations. Your Committee further finds that direct primary care, also known as concierge medicine, has also increased in popularity throughout the nation and Hawaii. Concierge medicine involves a relationship between a patient and a primary care physician in which the patient pays an annual fee or retainer, which may be in addition to other charges.

Your Committee additionally finds that as methods for delivery of health care in Hawaii evolve and change, it is important to consider if these changes are affecting patient access to primary care services in the State. Accordingly, this measure requests the Insurance Division of the Department of Commerce and Consumer Affairs to conduct a survey on the development and impact of accountable care organizations and direct care or concierge medicine within the community.

Your Committee has heard the concerns of the Department of Commerce and Consumer Affairs that the Insurance Division may not have direct access to the specific information for the survey requested by this measure. Your Committee understands these concerns and concludes that an amendment to this measure is necessary that requests the Insurance Division to collaborate with the medical professional community on the survey.

Your Committee has amended this measure by:

- (1) Clarifying certain information regarding accountable care organizations, the establishment of accountable care organizations, and their goals;
- (2) Noting some health care economists have expressed concern that the formation of more accountable care organizations could leave fewer independent hospitals and doctors, which could potentially limit patient choice and access to primary care services;
- (3) Clarifying that concierge medicine involves a relationship between a patient and a primary care physician in which the patient pays an annual fee or retainer, which may be in addition to other charges;
- (4) Specifying additional aspects of concierge medicine;
- (5) Noting some concerns regarding the overall affordability of concierge medicine, including the impact it may have on Medicaid and Medicare patients;
- (6) Clarifying that the Insurance Division is requested to collaborate with the medical professional community on a survey regarding the development and impact of accountable care organizations and direct care or concierge medicine within the community;
- (7) Requesting the Insurance Division to collaborate with the Board of Medicine, Hawaii Medical Association, Healthcare Association of Hawaii, and independent physicians associations for purposes of gathering the appropriate information requested for the survey;
- (8) Requesting the Insurance Division to review government websites and information from government agencies, as needed, for purposes of gathering the appropriate information requested for the survey;
- (9) Amending its title; 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, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 157, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 157, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3671 (Joint) Water, Land, and Agriculture and Government Operations on H.C.R. No. 22

The purpose and intent of this measure is to support game mammal, game bird, and fishing resources in order to promote sustainability and food security and to preserve long standing local and cultural practices.

Your Committees received testimony in support of this measure from the County of Hawaii Game Management Advisory Commission, The Society for Hawaii Heritage Animals, Hawaii Hunting Association, Hawaii Crop Improvement Association, and twenty-two individuals. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that the Department of Land and Natural Resources is mandated by the Hawaii State Constitution to conserve and protect Hawaii's natural resources and to promote the development and use of these resources consistent with their conservation and in furtherance of the self-sufficiency of the State. Your Committees further find that game mammals and game birds are important resources for food, including subsistence hunting, and for sport, and are managed as game resources for food and sport in identified game management areas. Your Committees find that the Department of Land and Natural Resources should make additional efforts to work with hunters and to recognize game mammals and game birds as resources in game management areas, but also recognize that since game animals are non-native, invasive species, any recognition of game animals as natural resources in all areas could conflict with the Hawaii State Constitution and the goals of the Department and the State.

Your Committees have amended this measure by correcting the reference to the maximum amount of game that is harvested each year from 1,000,000 pounds to 500,000 pounds.

As affirmed by the records of votes of the members of your Committees on Water, Land, and Agriculture and Government Operations that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 22, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 22, H.D. 1, S.D. 1.

Signed by the Chairs on behalf of the Committees.
Water, Land, and Agriculture: Ayes, 5; Ayes with Reservations (Riviere). Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).
Government Operations: Ayes, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3672 Commerce, Consumer Protection, and Health on H.C.R. No. 90

The purpose and intent of this measure is to request the Chief of the Department of Health Emergency Medical Services and Injury Prevention System Branch to convene and chair a working group to develop a community paramedic program, including educational standards for certifications, to alleviate emergency services from responding to non-emergency calls.

Your Committee received testimony in support of this measure from the Department of Health; University of Hawai'i System; County of Hawai'i, Hawai'i Fire Department; and two individuals.

Your Committee finds that the City and County of Honolulu Emergency Medical Services received almost ninety thousand calls in 2015. Of these calls, many are from repeat callers who call multiple times per day for issues that do not need emergency services, but rather general assistance. Therefore, as the call volume rises each year and the number of ambulance stations remains the same, it is critical to develop proposals to establish community paramedic services to provide the appropriate services for these repeat callers who would otherwise be using resources that could best serve individuals who need emergency medical services.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 90, and recommends that it be referred to your Committee on Ways and Means.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3673 Transportation and Energy on H.C.R. No. 88

The purpose and intent of this measure is to request the Department of Transportation to recognize the significant accomplishments and contributions of the late Senator Daniel K. Inouye by designating the Honolulu International Airport as the Daniel K. Inouye International Airport.

Your Committee received testimony in support of this measure from the Department of Transportation and Daniel K. Inouye Institute.

Your Committee finds that the Department of Transportation, Highways Division, has requested that it be granted an easement on unencumbered state lands adjacent to the highway, to allow for the construction of a boulder fill revetment along a 900-foot section of the seaward side of the highway, outside of the highway right of way, to protect Honoapiilani highway from damage due to shoreline erosion. Portions of Honoapiilani Highway (State highway 30) are being negatively impacted by the shoreline erosion in the area of Olowalu, Lahaina, Maui.

To lease state submerged lands, section 171-53, Hawaii Revised Statutes, requires prior authorization of the Legislature by concurrent resolution. As such your Committee has amended this measure by:

- (1) Deleting its contents and inserting language to authorize the Board of Land and Natural Resources to issue to the Department of Transportation a term, non-exclusive easement for sixty-five years covering a portion of state submerged lands fronting the property identified as tax map key: (2) 4-8-003: Seaward of 006, Olowalu, Lahaina, Maui, Hawaii, for the construction of a boulder fill revetment to protect Honoapiilani highway from damage due to shoreline erosion; and
- (2) Amending its title to reflect its amended purpose.

As affirmed by the record of votes of the members of your Committee on Transportation and Energy that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 88, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as H.C.R. No. 88, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Chun Oakland, English, Slom).

SCRep. 3674 Water, Land, and Agriculture on Gov. Msg. No. 865

Recommending that the Senate advise and consent to the nomination of the following:

KAHO'OLAWE ISLAND RESERVE COMMISSION

G.M. No. 865 JONATHAN CHING, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jonathan Ching to possess the requisite qualifications to be nominated for appointment to the Kaho'olawe Island Reserve Commission.

Your Committee received testimony in support of the nomination for the appointment of Jonathan Ching from the Kaho'olawe Island Reserve Commission, Protect Kaho'olawe 'Ohana, and nine individuals.

Upon review of the testimony, your Committee finds that Mr. Ching's experience as the Land and Property Manager of the Office of Hawaiian Affairs, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Kaho'olawe Island Reserve Commission. Your Committee notes that Mr. Ching is a member of Protect Kaho'olawe 'Ohana, Hakipu'u Piko, Hokule'a Relief Crew Training, I Ola Kanaloa Strategic Planning Team, and Ka Pa O Lonopuha. Mr. Ching indicates in his personal statement his training as a Native Hawaiian cultural practitioner and his deep aloha for the island of Kaho'olawe. Your Committee further finds that Mr. Ching has been nominated for appointment to the Kaho'olawe Island Reserve Commission based on his knowledge and experience in land management and willingness to serve the public.

As affirmed by the record of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3675 Water, Land, and Agriculture on Gov. Msg. No. 854

Recommending that the Senate advise and consent to the nomination of the following:

COMMISSION ON WATER RESOURCE MANAGEMENT

G.M. No. 854 NEIL HANNAHS, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Neil Hannahs to possess the requisite qualifications to be nominated for appointment to the Commission on Water Resource Management.

Your Committee received testimony in support of the nomination for the appointment of Neil Hannahs from the Department of Land and Natural Resources; Office of Hawaiian Affairs; Aha Moku Advisory Committee; The Nature Conservancy; Chamber of Commerce Hawaii; Ponoholo Ranch, Limited; and nineteen individuals.

Upon review of the testimony, your Committee finds that Mr. Hannahs' experience as the Director of the Kamehameha Schools Land Assets Division and Founder of Ho'okele Strategies LLC, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Commission on Water Resource Management. Your Committee notes that Mr. Hannahs has over thirty years of executive level experience working with Kamehameha Schools. He is the Director of the Kohala Center, Aloha Kuamo'o 'Aina, and Hawai'i BioRefineryCo; Treasurer of the Wai'anae Coast Redevelopment Corporation; and Chair of the Polynesian Voyaging Society Board of Directors. He has previously served as the President of Hui Hānai, Kaka'ako Improvement Association, and Land Use Research Foundation; Vice President of the Historic Hawai'i Foundation; and Treasurer of Pacific Islanders in Communication. Your Committee further finds that Mr. Hannahs has been nominated for appointment to the Commission on Water Resource Management based on his knowledge and experience with land and resource management and willingness to serve the public.

As affirmed by the record of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3676 Water, Land, and Agriculture on Gov. Msg. No. 832

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF LAND AND NATURAL RESOURCES

GM. No. 832 THOMAS OI, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Thomas Oi to possess the requisite qualifications to be nominated for reappointment to the Board of Land and Natural Resources.

Your Committee received testimony in support of the nomination for the reappointment of Thomas Oi from the Department of Land and Natural Resources, Aha Moku Advisory Committee, Hawai'i Farm Bureau, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Oi's experience as the owner of Tommy Oi, Land Surveyor, LLC; commitment to public service; and proven leadership qualify him to be nominated for reappointment to the Board of Land and Natural Resources. Your Committee notes that Mr. Oi has served as a member of the Board of Land and Natural Resources since 2014, is the former Kauai District Land Agent for the Land Division of the Department of Land and Natural Resources, and has worked as a Land Boundary Surveyor in the Land Survey Division of the Department of Accounting and General Services and within multiple branches of the Department of Transportation. He is a member of the Hawaii Land Surveyors Association; Kaua'i Sanshin Club; Lihue Hongwanji Mission; Hui Alu Inc., Hawaii United Okinawa Association; and the Chair of the East Kaua'i Soil Conservation District Association. Based on Mr. Oi's knowledge, experience, and commitment to public service, your Committee finds that Mr. Oi will continue to be an asset to the Board of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3677 Water, Land, and Agriculture on Gov. Msg. Nos. 614, 842, 843, and 869

Recommending that the Senate advise and consent to the nominations of the following:

LAND USE COMMISSION

GM. No. 614 NANCY CABRAL, for a term to expire 06-30-2017;

GM. No. 842 DAWN CHANG, for a term to expire 06-30-2019;

GM. No. 843 JONATHAN SCHEUER, for a term to expire 06-30-2020; and

GM. No. 869 GARY OKUDA, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Nancy Cabral, Dawn Chang, Jonathan Scheuer, and Gary Okuda to possess the requisite qualifications to be nominated to the Land Use Commission.

NANCY CABRAL

Your Committee received testimony in support of the nomination for the reappointment of Nancy Cabral from the Department of Business, Economic Development, and Tourism; Office of Planning; Land Use Commission; Hawai'i Farm Bureau; Ponoholo Ranch, Limited; W.H. Shipman, Limited; and eight individuals.

Upon review of the testimony, your Committee finds that Ms. Cabral's experience as a real estate agent and property manager, commitment to public service, and proven leadership qualify her to be nominated for reappointment to the Land Use Commission. Your Committee notes that Ms. Cabral has served as a member of the Land Use Commission since 2015 and is the owner of Coldwell Banker Day-Lum Properties and Day-Lum Rentals and Management, Inc. She is currently on the Board of Directors of the Ku'ikahi Mediation Center, Hawai'i Island Leadership Council for Hawai'i Community Foundation, and H.C. Shipman Foundation. She also serves as a member of the Zonta Club of Hilo, Rotary Club of Hilo, Hilo Downtown Improvement Association, Hawai'i Island Chamber of Commerce, Hawai'i Island REALTORS, National Association of Property Managers, and Hawai'i Horse Owners Association. Based on Ms. Cabral's knowledge, experience, and commitment to public service, your Committee finds that Ms. Cabral will continue to be an asset to the Land Use Commission.

DAWN CHANG

Your Committee received testimony in support of the nomination for the appointment of Dawn Chang from the Department of Business, Economic Development, and Tourism; Office of Planning; Land Use Commission, Aha Moku Advisory Committee; County of Kaua'i Planning Department; Hawaii Laborers-Employers Cooperation and Education Trust; Turtle Bay Resort; The Howard Hughes Corporation; Hawai'i Construction Alliance; and nineteen individuals. Your Committee received testimony in opposition to the nomination of Dawn Chang from the Native Hawaiian Legal Corporation.

Upon review of the testimony, your Committee finds that Ms. Chang's experience as an attorney, commitment to public service, and proven leadership qualify her to be nominated for appointment to the Land Use Commission. Your Committee notes that Ms. Chang is a member of Accord3.0 Consultants, a Principal of Ho'ākea LLC dba Ku'iwalu, and Of Counsel at Ishida & Yamada LLLP. She has previously worked as a Deputy Attorney General and has focused her career on legal issues involving native Hawaiian rights and land laws, specializing in the areas of cultural resource management and historic preservation issues, including native Hawaiian burials, land issues, and regulatory requirements. She is the Chair of the KEY Project Board of Directors and a member of the Historic Hawai'i Foundation Board of Trustees and Girl Scouts of Hawai'i Board of Directors. Your Committee further finds that Ms. Chang has been nominated for appointment to the Land Use Commission based on her knowledge and experience with native Hawaiian land laws and property transactions and willingness to serve the public.

JONATHAN SCHEUER

Your Committee received testimony in support of the nomination for the reappointment of Jonathan Scheuer from the Department of Business, Economic Development, and Tourism; Office of Planning; Office of Hawaiian Affairs; Land Use Commission; Aha Moku Advisory Committee; KAHEA: The Hawaiian-Environmental Alliance; Hawaii's Thousand Friends; Conservation Council for Hawai'i; Cultural Surveys Hawai'i, Inc.; and fifteen individuals.

Upon review of the testimony, your Committee finds that Dr. Scheuer's experience as a natural resources and environmental issues consultant, commitment to public service, and proven leadership qualify him to be nominated for reappointment to the Land Use Commission. Your Committee notes that Dr. Scheuer has served as a member of the Land Use Commission since 2014 and is the current Vice Chair. He previously worked as the Director of Land Management and as a Policy Analyst IV in the Office of Hawaiian Affairs and as a Land Evaluation Coordinator for Kamehameha Schools. He is the Vice Chair of the Hawaiian Islands Land Trust Board of Directors. Dr. Scheuer has served previously as the Vice Chair of the O'ahu Island Burial Council, Deputy Director for the Commission on Water Resource Management, member of the O'ahu Land Trust Board of Directors, and Director of Mālama Mānoa. Based on Dr. Scheuer's knowledge, experience, and commitment to public service, your Committee finds that Dr. Scheuer will continue to be an asset to the Land Use Commission.

GARY OKUDA

Your Committee received testimony in support of the nomination for the appointment of Gary Okuda from the Department of Business, Economic Development, and Tourism; Office of Planning; Land Use Commission; and twenty-four individuals.

Upon review of the testimony, your Committee finds that Mr. Okuda's experience as an attorney, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Land Use Commission. Your Committee notes that Mr. Okuda has practiced law in Hawaii for thirty-five years, including the areas of property and land use law in private practice and the agricultural industry through his work with the University of Hawai'i College of Tropical Agriculture and Human Resources. Mr. Okuda indicates in his personal statement his experience at the 1978 Constitutional Convention and his belief that the Hawaii State Constitution reflects Hawaii's shared community values which make Hawaii our unique home. He also indicated in his personal statement that he promises to follow the law, without bias, make decisions based solely on the evidence presented to the Commission, keep an open mind, and be guided by the provisions of the Hawaii State Constitution. Your Committee further finds that Mr. Okuda has been nominated for appointment to the Land Use Commission based on his knowledge and experience in the legal field and willingness to serve the public.

As affirmed by the records of votes of the members of your Committee on Water, Land, and 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, 5. Noes, none. Excused, 4 (Dela Cruz, Shimabukuro, Thielen, Slom).

SCRep. 3678 Economic Development, Environment, and Technology on Gov. Msg. Nos. 849, 850, and 851

Recommending that the Senate advise and consent to the nominations of the following:

STADIUM AUTHORITY

G.M. No. 849 SCOT LONG, for a term to expire 06-30-2020;

G.M. No. 850 DAVID UCHIYAMA, for a term to expire 06-30-2020; and

G.M. No. 851 JOHN FINK, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Scot Long, David Uchiyama, and John Fink to possess the requisite qualifications to be nominated to the Stadium Authority.

SCOT LONG

Your Committee received testimony in support of the nomination for the reappointment of Scot Long from the Department of Accounting and General Services and four individuals.

Upon review of the testimony, your Committee finds that Mr. Long's experience as the Assistant Business Manager of the International Brotherhood of Electrical Workers (IBEW), Local Union 1357; commitment to public service; and proven leadership qualify him to be nominated for reappointment to the Stadium Authority. Your Committee notes that Mr. Long has served as a member of the Stadium Authority since 2012 and is a member of the Sheraton Hawai'i Bowl Executive Committee and President of the Kaiser High School Athletic Foundation. He has served previously as the Co-chair of the IBEW/American Cancer Society Relay for Life, a representative to the Juvenile Diabetes Research Foundation Charity Walk, and Chairman of the IBEW/Read To Me International Golf Tournament. Based on Mr. Long's knowledge, experience, and commitment to public service, your Committee finds that Mr. Long will continue to be an asset to the Stadium Authority.

DAVID UCHIYAMA

Your Committee received testimony in support of the nomination for the appointment of David Uchiyama from the Department of Accounting and General Services and three individuals.

Upon review of the testimony, your Committee finds that Mr. Uchiyama's experience as Chief Commercial Officer of Island Air, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Stadium Authority. Your Committee notes that Mr. Uchiyama has over thirty-seven years of experience working in product development, service deliverables, sales, advertising, public relations, marketing, and civic and community relations. He has previously worked as the Vice President of Sales and Marketing at Hawaii Gas and Vice President of Brand Management at the Hawaii Tourism Authority. Mr. Uchiyama is a member of the Sheraton Hawai'i Bowl Executive Committee, Hawai'i Bowl Foundation, Honolulu Japanese Chamber of Commerce,

Hawai'i Hotels & Lodging Association, Hawai'i Visitors & Convention Bureau Tourism Strategic Planning Committee, and Oahu Visitors Bureau Marketing Advisory Board. Your Committee further finds that Mr. Uchiyama has been nominated for appointment to the Stadium Authority based on his knowledge and experience in the tourism and marketing industries and willingness to serve the public.

JOHN FINK

Your Committee received testimony in support of the nomination for the appointment of John Fink from the Department of Accounting and General Services, Chamber of Commerce Hawaii, and three individuals.

Upon review of the testimony, your Committee finds that Mr. Fink's experience as the Vice President and General Manager of KFVE-TV, commitment to public service, and proven leadership qualify him to be nominated for appointment to the Stadium Authority. Your Committee notes that Mr. Fink has over thirty-five years of experience in television and radio broadcasting in Hawaii. He is a member of the Hawaii Sports Commission; Board member of 'Ahaui Koa Anuenue, University of Hawaii Athletics; member of the Hawaiian Airlines Diamondhead Classic Steering Committee; Easter Seals of Hawaii Golf Tournament Committee; Hawaii Bowl Executive Committee; and Aloha Festivals Board of Directors. Your Committee further finds that Mr. Fink has been nominated for appointment to the Stadium Authority based on his knowledge and experience in the sports and broadcasting industries and willingness to serve the public.

As affirmed by the records of votes of the members of your Committee on Economic Development, Environment, 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.

For Gov. Msg. Nos. 849 and 851: Ayes, 5. Noes, none. Excused, 4 (Galuteria, Ruderman, Thielen, Slom).

For Gov. Msg. No. 850: Ayes, 5; Ayes with Reservations (Ihara, Keith-Agaran). Noes, none. Excused, 4 (Galuteria, Ruderman, Thielen, Slom).

SCRep. 3679 Economic Development, Environment, and Technology on Gov. Msg. No. 864

Recommending that the Senate advise and consent to the nomination of the following:

COMMUNITY-BASED ECONOMIC DEVELOPMENT AUTHORITY COUNCIL

GM. No. 864 NANCY LO, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Nancy Lo to possess the requisite qualifications to be nominated for appointment to the Community-Based Economic Development Authority Council.

Your Committee received testimony in support of the nomination for the appointment of Nancy Lo from the Department of Business, Economic Development, and Tourism; and one individual.

Upon review of the testimony, your Committee finds that Ms. Lo's experience as an entrepreneur, commitment to public service, and proven leadership qualify her to be nominated for appointment to the Community-Based Economic Development Authority Council. Your Committee notes that Ms. Lo is the Founder of Best Aloha Partners, a residential development and management company; Founder of Hibiscus Aloha Corporation, which includes Elvira's Chocolate, Elvira's Snacks and Goodies, Hawaii Monarch Chocolates, and Hawaii Monarch Coffee; and Co-Founder of P.H. Hawaii Corporation, a commercial real estate development and property management and leasing company. She is a licensed general contractor, registered sanitarian, and licensed real estate sales associate. Ms. Lo serves as the Director of the Hawaii Hurricane Relief Fund Board of Directors; President Elect of the Rotary Club of West Honolulu; and as a member of the Chinese Chamber of Commerce of Hawaii Board of Directors, Honolulu Board of REALTORS, Hawaii Food Industry Association, and National Association for the Specialty Food Trade. Your Committee further finds that Ms. Lo has been nominated for appointment to the Community-Based Economic Development Authority Council based on her knowledge and experience in real estate and entrepreneurship and her willingness to serve the public.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, 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, 4 (Galuteria, Ruderman, Thielen, Slom).

SCRep. 3680 Economic Development, Environment, and Technology on Gov. Msg. No. 870

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE HAWAI'I STRATEGIC DEVELOPMENT CORPORATION

GM. No. 870 MARISSA SANDBLOM, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Marissa Sandblom to possess the requisite qualifications to be nominated for appointment to the Board of Directors of the Hawai'i Strategic Development Corporation.

Your Committee received testimony in support of the nomination for the appointment of Marissa Sandblom from the Hawai'i Strategic Development Corporation and one individual.

Upon review of the testimony, your Committee finds that Ms. Sandblom's experience as the Vice President of Grove Farm Company, Inc.; commitment to public service; and proven leadership qualify her to be nominated for appointment to the Board of Directors of the Hawai'i Strategic Development Corporation. Your Committee notes that Ms. Sandblom previously worked as the Finance and Business Development Officer of the Kauai Economic Development Board and as the Corporate Communications Officer for City Bank. Ms. Sandblom has served as the Director and Chair of the Agribusiness Development Corporation Board of Directors, Director and Vice Chair of the PBS Hawaii Board of Directors, Director and Chair of the Kauai Planning and Action Alliance Board of Directors; and Director and Treasurer of the Leadership Kauai Board of Directors. She is the former Director and current Executive Committee Member of the Kauai Visitors Bureau; former Director and current Chair of the Kauai Economic Development Board Executive Committee; and a member of the American Red Cross, Hawaii Chapter, Kauai Advisory Board. Your Committee further finds that Ms. Sandblom has been nominated for appointment to the Hawai'i Strategic Development Corporation based on her knowledge and experience in communications and business development and her willingness to serve the public.

As affirmed by the record of votes of the members of your Committee on Economic Development, Environment, 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, 4 (Galuteria, Ruderman, Thielen, Slom).

SCRep. 3681 Government Operations on Gov. Msg. Nos. 735, 736, and 737

Recommending that the Senate advise and consent to the nominations of the following:

PROCUREMENT POLICY BOARD

G.M. No. 735 ELIZABETH WEBB, for a term to expire 06-30-2018;

G.M. No. 736 HOWARD GARVAL, for a term to expire 06-30-2017; and

G.M. No. 737 KATHY SUZUKI-KITAGAWA, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Elizabeth Webb, Howard Garval, and Kathy Suzuki-Kitagawa to possess the requisite qualifications to be nominated for appointment to the Procurement Policy Board.

ELIZABETH WEBB

Your Committee received testimony in support of the nomination for the appointment of Elizabeth Webb from the Department of Accounting and General Services, State Procurement Office, and seven individuals.

Your Committee finds that Ms. Webb has extensive knowledge of the procurement process and regulations and over twenty-five years of experience in contract and subcontract management. Ms. Webb, a certified professional contracts manager, is currently the Ethics Officer and Contracts Manager for the Pacific Region at Environmental Chemical Corporation (ECC), a construction and remediation contractor. As the Contracts Manager, Ms. Webb is responsible for the terms and conditions of ECC's prime contracts and ensuring ECC's compliance with applicable federal, state, and local regulations and policies. Ms. Webb is active in the community as a member of Women in Renewable Energy and Director of the National Contract Management Association Advisory Board. Testimony submitted notes that Ms. Webb has excellent interpersonal skills, a strong work ethic, and extensive community and business relationships. Your Committee further finds that Ms. Webb's public procurement knowledge and experience, as well as her professionalism, will be strong assets to the Procurement Policy Board.

HOWARD GARVAL

Your Committee received testimony in support of the nomination for the appointment of Howard Garval from the Department of Accounting and General Services; Goodwill Industries of Hawaii, Inc.; Hawaii Alliance of Nonprofit Organizations; PHOCUSED; Lanakila Pacific; and eight individuals.

Your Committee finds that Mr. Garval has extensive executive and nonprofit experience that spans over forty-one years. Mr. Garval is currently the President and Chief Executive Officer of Child & Family Service, the State's most comprehensive human services agency. As President and Chief Executive Officer, Mr. Garval oversees programs and support functions, real property operations, strategic planning, fiscal matters, and quality service delivery. Mr. Garval actively serves the community as a current member of various boards and organizations, including the Move Oahu Forward Board, Hawaii Community Reinvestment Corporation, and is Chair of the Hawaii Family Support Institute Advisory Board. Testimony submitted notes that Mr. Garval understands how the State procures health and human services and may provide valuable input on ways to enhance the Procurement Code to achieve greater efficiency and reduced costs to government. Your Committee further finds that Mr. Garval's professional experience, as well as his passion for service, will be valuable assets to the Procurement Policy Board.

KATHY SUZUKI-KITAGAWA

Your Committee received testimony in support of the nomination for the appointment of Kathy Suzuki-Kitagawa from the Department of Accounting and General Services, State Procurement Office, Hawai'i Primary Care Association, and two individuals.

Your Committee finds that Ms. Suzuki-Kitagawa has fifteen years of health and human services experience. Ms. Suzuki-Kitagawa is currently the Chief Operating Officer of the Hawai'i Primary Care Association, which promotes and supports primary medical, dental, and behavioral health services to Hawaii's medically underserved and underinsured through federally qualified health centers. Ms. Suzuki-Kitagawa's responsibilities include applying for, implementing, and managing numerous state contracts, such as the Hawaii Immigrant Health Initiative, Outreach and Education, and Dental Appropriations grants. Ms. Suzuki-Kitagawa is currently

active in the community as a member of the Hawaii Islands Oral Health Task Force and Healthcare Association of Hawaii Emergency Management Committee. Testimony submitted notes Ms. Suzuki-Kitagawa's contract management experience and passion for providing health services to the underserved and uninsured. Your Committee further finds that Ms. Suzuki-Kitagawa's experience as a former member of the Procurement Policy Board, as well as her professional background, will be beneficial to the Procurement Policy Board.

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, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3682 Hawaiian Affairs on Gov. Msg. No. 671

Recommending that the Senate advise and consent to the nomination of the following:

HAWAIIAN HOMES COMMISSION

G.M. No. 671 GENE ROSS DAVIS, for a term to expire 06-30-2020

Your Committee received testimony in support of the nomination for the appointment of Gene Ross Davis from the Department of Hawaiian Home Lands, Pana'ewa Hawaiian Home Lands Community Association, Aha Moku Advisory Committee, and twelve individuals. Your Committee received comments on the nomination for appointment from one individual.

Upon review of the testimony, your Committee finds that Mr. Davis's background in agriculture and business and his commitment to and connection with the Native Hawaiian community are valuable assets and additions to the Hawaiian Homes Commission as a member representing the island of Moloka'i. Mr. Davis has worked as a Livestock Inspector for the Department of Agriculture and is the Owner of Kamalei by the Sea. Mr. Davis is also a homesteader at Kalama'ula, and his experience as a homesteader and background in agriculture and business present a unique perspective to the Hawaiian Homes Commission. Your Committee notes that Mr. Davis has earned praise from community leaders for his work on the Commission for the past four years and finds that Mr. Davis will continue to provide valuable input to the Commission as it addresses several critical issues.

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 (English, Slom).

SCRep. 3683 Hawaiian Affairs on Gov. Msg. No. 866

Recommending that the Senate advise and consent to the nomination of the following:

ISLAND BURIAL COUNCIL, ISLAND OF MOLOKAI

G.M. No. 866 FRANCES COBB-ADAMS, for a term to expire 06-30-2019

Your Committee received testimony in support of the nomination for the reappointment of Frances Cobb-Adams from the Department of Land and Natural Resources and Office of Hawaiian Affairs.

Your Committee finds that Ms. Cobb-Adams's personal and professional backgrounds are valuable assets and additions to the Island Burial Council. In particular, your Committee notes that Ms. Cobb-Adams currently works for Kamehameha Schools as its Moloka'i Resource Center Manager and as an Instructor of Hawaiian language and Hawaiian studies at the Molokai Education Center and previously worked at Nā Pua No'eau, Center for Gifted and Talented Native Hawaiian Children. Ms. Cobb-Adams speaks, reads, and writes the Hawaiian language, and testimony indicates that she deeply appreciates her Hawaiian heritage. She has demonstrated substantial commitment, experience, and expertise in cultural preservation and perpetuation, including by employing traditional methods in food gathering and preparation, lei making, and 'ōlelo, among other things. Your Committee further finds that Ms. Cobb-Adams has been nominated for reappointment to the Island Burial Council as a representative for the geographic region of East Moloka'i based on her knowledge, experience, and commitment to her community.

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 (English, Slom).

SCRep. 3684 Government Operations on Gov. Msg. Nos. 512, 513, 514, 515, 733, and 734

Recommending that the Senate advise and consent to the nominations of the following:

ENHANCED 911 BOARD

G.M. No. 512 DEAN RICKARD, for a term to expire 06-30-2019;

G.M. No. 513 PAUL FERREIRA, for a term to expire 06-30-2016;

G.M. No. 514 PAUL FERREIRA, for a term to expire 06-30-2020;

G.M. No. 515 THALIA BURNS, for a term to expire 06-30-2019;

G.M. No. 733 JEFFREY RIEWER, for a term to expire 06-30-2018; and

G.M. No. 734 JOHN JAKUBCZAK, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Dean Rickard, Paul Ferreira, Thalia Burns, Jeffrey Riewer, and John Jakubczak to possess the requisite qualifications to be nominated to the Enhanced 911 Board.

DEAN RICKARD

Your Committee received testimony in support of the nomination for the appointment of Dean Rickard from the Department of Accounting and General Services; Enhanced 911 Board; Police Department, County of Kauai; Police Department, County of Maui; Police Department, County of Hawai'i; Department of the Prosecuting Attorney, County of Maui; and fourteen individuals.

Your Committee finds that Mr. Rickard has over twenty-eight years of law enforcement experience and extensive professional training. Mr. Rickard is currently the Deputy Chief of Police of the Maui County Police Department and is responsible for operations. Throughout Mr. Rickard's law enforcement career, he has assumed various duties, including serving as Assistant Commander of the Specialized Emergency Enforcement Detail and management of the Support Services Bureau. Mr. Rickard has received numerous awards and serves the community as a member of various organizations, including the Maui Police Activities League and Maui Police Relief Association. Testimony submitted notes Mr. Rickard's professionalism, leadership skills, and willingness to serve the public. Your Committee further finds that Mr. Rickard's law enforcement experience, as well as his professionalism, will be assets to the Enhanced 911 Board.

PAUL FERREIRA

Your Committee received testimony in support of the nomination for the appointment and reappointment of Paul Ferreira from the Department of Accounting and General Services; Enhanced 911 Board; Police Department, City and County of Honolulu; Police Department, County of Kauai; Police Department, County of Maui; Police Department, County of Hawai'i; and twelve individuals.

Your Committee finds that Mr. Ferreira has thirty-four years of law enforcement experience. Mr. Ferreira began his law enforcement career as a Police Officer and is currently the Deputy Chief of Police of the County of Hawaii Police Department, responsible for providing direct support and assistance to the Police Chief in the management of the Department. Mr. Ferreira actively serves the community as a member of the Board of Directors of Hospice of Hilo and current member of the Enhanced 911 Board. As a member of the 911 Enhanced Board, Mr. Ferreira has served as Chair of the Board and is currently the Chair of the Legislative Committee. Testimony submitted notes Mr. Ferreira's integrity, leadership, knowledge of public safety answering point operations, and management ability. Your Committee further finds that Mr. Ferreira's experience as a current member of the Enhanced 911 Board, as well as his law enforcement experience, will be assets to the Enhanced 911 Board.

THALIA BURNS

Your Committee received testimony in support of the nomination for the appointment of Thalia Burns from the Department of Accounting and General Services; Enhanced 911 Board; Police Department, County of Hawai'i; and three individuals.

Your Committee finds that Ms. Burns has over thirty-two years of experience in the Communications Division of the Honolulu Police Department. Ms. Burns began her career at the Honolulu Police Department as a 911 Operator and is currently the Supervising Police Radio Dispatcher for the Department, responsible for supervising a unit that manages all projects that impact the communications center, managing accreditation, and updating of policies and procedures. Ms. Burns has received numerous awards and is active in the community as a current member of the Enhanced 911 Board; Joint Traffic Management Center, Console Selection Committee; and Treasurer of the Association of Public-Safety Communications Officials International, Pacific Chapter. Testimony submitted notes Ms. Burns' leadership experience and knowledge of public safety answering point operations. Your Committee further finds that Ms. Burns' experience as a current member of the Enhanced 911 Board, as well as her public safety experience, will be assets to the Enhanced 911 Board.

JEFFREY RIEWER

Your Committee received testimony in support of the nomination for the reappointment of Jeffrey Riewer from the Department of Accounting and General Services; Enhanced 911 Board; Police Department, County of Hawai'i; and three individuals.

Your Committee finds that Mr. Riewer has over fourteen years of experience in the wireless communications industry. Mr. Riewer began his career as a wireless technician and is currently the Lead Network/Sales Support Manager and Enhanced 911 Coordinator for AT&T Wireless in Hawaii, responsible for coordinating all Enhanced 911 scheduling, call testing, and datafill between AT&T Hawaii and Hawaii public-safety answering point personnel. Mr. Riewer serves the community as a current member of the Enhanced 911 Board and attends quarterly meetings of the Department of Emergency Management's Utilities Commission for Disaster Recovery. Testimony submitted notes Mr. Riewer's expertise in the wireless communications industry and willingness to serve the public's best interests. Your Committee further finds that Mr. Riewer's experience as a current member of the Enhanced 911 Board, as well as his professional experience, will continue to be assets to the Enhanced 911 Board.

JOHN JAKUBCZAK

Your Committee received testimony in support of the nomination for the appointment of John Jakubczak from the Department of Accounting and General Services; Enhanced 911 Board; Police Department, County of Maui; Police Department, County of Hawai'i; and eleven individuals.

Your Committee finds that Mr. Jakubczak has twenty-eight years of law enforcement experience and extensive professional training. Mr. Jakubczak began his law enforcement career as a Police Officer and is currently the Assistant Chief of Police of the Maui Police

Department, Support Services Bureau, responsible for the activities, goals, and management of the Support Services Bureau. Mr. Jakubczak has demonstrated his commitment to the community through his involvement in youth and high school football in Maui for the past twenty years and is a current member of the Enhanced 911 Board and various organizations, including the International Association of Chiefs of Police, Maui Incident Management Team, and Hawaii Sexual Assault Response Team. Testimony submitted notes Mr. Jakubczak's extensive experience and professionalism. Your Committee further finds that Mr. Jakubczak's commitment to the community and public safety, as well as his experience as a current member of the Enhanced 911 Board, will be assets to the Enhanced 911 Board.

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, 4. Noes, none. Excused, 3 (Dela Cruz, Tokuda, Slom).

SCRep. 3685 Commerce, Consumer Protection, and Health on H.C.R. No. 72

The purpose and intent of this measure is to urge the Department of Health to vigorously enforce laws regarding the labeling of previously frozen fish.

Your Committee received testimony in support of this measure from one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that some retailers of frozen fish have mislabeled their previously frozen fish as fresh fish after treating the fish with carbon monoxide to preserve the color, but not the quality, of the fish. Some consumers do not want to eat previously frozen fish, or any fish that has been treated with carbon monoxide, because they do not enjoy the taste of previously frozen fish or have concerns about possible negative health effects of consuming fish exposed to carbon monoxide.

Your Committee further finds that mislabeling previously frozen fish as fresh fish misleads consumers and allows vendors of previously frozen fish to unfairly compete with vendors of genuine fresh fish. Some vendors of mislabeled frozen fish may seek to exploit the Department of Health's discretion regarding enforcement and may repeatedly mislabel carbon monoxide-treated previously frozen fish as fresh fish because they believe they will face no serious consequences if they are caught.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 72, H.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 5. Noes, none. Excused, 2 (Ruderman, Slom).

SCRep. 3686 (Joint) Economic Development, Environment, and Technology and Water, Land, and Agriculture on H.C.R. No. 61

The purpose and intent of this measure is to endorse and support the Ala Wai Watershed Partnership and request a report on its progress in increasing resilience and sustainability of the Ala Wai watershed and raising financial support for the Partnership.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Ala Wai Watershed Partnership, and Hawai'i Green Growth.

Your Committees find that the United States Army Corps of Engineers in partnership with the Hawaii Emergency Management Agency hosted the "Hawai'i Disaster Risk Workshop: Mitigating Catastrophic Disaster Risk and Building Resilience in the Ala Wai Watershed" which resulted in the formation of the Ala Wai Watershed Partnership. The Partnership is a voluntary group of state, county, federal, business, and nongovernmental leaders with the goals of mitigating catastrophic natural disaster risk and improving the resilience and sustainability of the Ala Wai watershed. Your Committees further find that state endorsement and support of the Partnership will ensure progress of critical flood risk reduction objectives, promote and strengthen public-private and multi-agency partnerships, and bring attention to the importance of the resiliency of the Ala Wai watershed.

As affirmed by the records of votes of the members of your Committees on Economic Development, Environment, and Technology and Water, Land, and Agriculture that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 61, H.D. 1, and recommend its adoption.

Signed by the Chairs on behalf of the Committees.

Economic Development, Environment, and Technology: Ayes, 6. Noes, none. Excused, 3 (Galuteria, Thielen, Slom).

Water, Land, and Agriculture: Ayes, 5. Noes, none. Excused, 4 (Dela Cruz, Ruderman, Thielen, Slom).

SCRep. 3687 Tourism and International Affairs on H.C.R. No. 123

The purpose and intent of this measure is to request the Hawaii Sister-State Committee to review and consider the establishment of a sister-state/province relationship between the State of Hawaii and the Province of Aklan of the Republic of the Philippines.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the language of the original measure and inserts new language to endorse the participation of Taiwan as an observer in the United Nations Framework Convention on Climate Change, International Civil Aviation Organization, World Health Organization, and International Criminal Police Organization, and supports Taiwan's participation in the twenty-third anniversary of sister-state relations with Taiwan.

Your Committee received testimony in support of the proposed S.D. 1 from the Taipei Economic and Cultural Office and six individuals.

Your Committee finds that President Barack Obama has signed a bill that requires the United States Secretary of State to develop a strategy to obtain observer status for Taiwan in the International Criminal Police Organization and other international groups. Your Committee further finds that the State of Hawaii and the Taiwan Province of the Republic of China jointly established a sister state relationship in 1993 to promote international understanding and goodwill and to strengthen a greater friendship between the residents of Hawaii and Taiwan. Over the past twenty-three years, the bonds of true friendship and a steadfast trade partnership between Hawaii and Taiwan have blossomed, resulting in a stronger and better economic, social, and cultural exchange between the two governments.

Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:

- (1) Clarifying that this measure, amongst other purposes, supports the State of Hawaii's twenty-third anniversary of sister-state relations with Taiwan, rather than Taiwan's participation in the twenty-third anniversary of sister-state relations with Taiwan; and
- (2) Changing the title accordingly.

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. 123, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 123, H.D. 1, S.D. 1.

Signed by the Majority Leader on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Galuteria, Green, Slom).

SCRep. 3688 Commerce, Consumer Protection, and Health on Gov. Msg. No. 825

Recommending that the Senate advise and consent to the nomination of the following:

MENTAL HEALTH AND SUBSTANCE ABUSE, O'AHU SERVICE AREA BOARD

G.M. No. 825 CYNTHIA DANG, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Cynthia Dang to possess the requisite qualifications to be nominated for reappointment to the Mental Health and Substance Abuse, Oahu Service Area Board.

Your Committee received testimony in support of the nomination for the reappointment of Cynthia Dang from the Department of Health.

Your Committee finds that Dr. Dang is presently a mid-level manager for a business consulting firm and has experience working in the areas of mental health, substance abuse, domestic violence, and homelessness. Dr. Dang is active in the community, serving as Chair of the Mental Health and Substance Abuse, Oahu Service Area Board, and Representative from the Mental Health Substance Abuse, Oahu Service Area Board, on the State Council on Mental Health. Dr. Dang also has valuable experience on various committees dealing with assessing and treating trauma and homeless veterans. In her personal statement, Dr. Dang indicated that she understands the importance of integrating community experience into program planning and problem resolution. She further hopes to eliminate the stigma of seeking services related to mental health, substance abuse, and domestic violence and see an improvement on the acceptability and accessibility of these services. Your Committee therefore finds that Dr. Dang's experience in the private and public sectors, proven leadership, and dedication to serving the public will continue to be great assets to the Mental Health and Substance Abuse, Oahu Service Area Board.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Slom).

SCRep. 3689 Water, Land, and Agriculture on Gov. Msg. Nos. 725, 726, 727, and 728

Recommending that the Senate advise and consent to the nominations of the following:

NATURAL AREA RESERVES SYSTEM COMMISSION

G.M. No. 725 ARTI MICHELLE CLARK, for a term to expire 06-30-2020;

G.M. No. 726 JONATHAN PRICE, for a term to expire 06-30-2020;

G.M. No. 727 ROBIN NEWBOLD, for a term to expire 06-30-2020; and

G.M. No. 728 THOMAS RANKER, for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Arti Michelle Clark, Jonathan Price, Robin Newbold, and Thomas Ranker to possess the requisite qualifications to be nominated to the Natural Area Reserves System Commission.

ARTI MICHELLE CLARK

Your Committee received testimony in support of the nomination for the appointment of Arti Michelle Clark from the Department of Land and Natural Resources, Kaua'i Invasive Species Committee, and twelve individuals.

Upon review of the testimony, your Committee finds that Ms. Clark's experience as a Kauai Partnerships Biologist in the United States Department of the Interior, Fish and Wildlife Service, Pacific Islands Fish and Wildlife Office; commitment to public service; and proven leadership qualify her for appointment to the Natural Area Reserves System Commission. Your Committee notes that Ms. Clark works with various partners including the Kaua'i Watershed Alliance, The Nature Conservancy, Department of Land and Natural Resources, The National Tropical Botanical Garden, Kaua'i Invasive Species Committee, Plant Extinction Prevention Program, and others on a daily basis. Her accomplishments include acceptance into the United States Fish and Wildlife Service Stepping Up to Leadership Program; recognition by the Hawaii Invasive Species Council and Legislature for outstanding efforts in coordinating detection and control of mongoose on Kauai; securing over \$2,500,000 in federal and matching funds to benefit over 8,500 acres of important forested habitats for several listed species on Kauai; recognition as the Kaua'i Invasive Species Committee Most Valuable Partner for 2014; and assisting the Department of Land and Natural Resources in finalizing the Kokee and Waimea Canyon State Park Master Plan. Your Committee further finds that Ms. Clark has been nominated for appointment to the Natural Area Reserves System Commission based on her knowledge and experience in the scientific field of ecology and willingness to serve the public.

JONATHAN PRICE

Your Committee received testimony in support of the nomination for the reappointment of Jonathan Price from the Department of Land and Natural Resources and three individuals.

Upon review of the testimony, your Committee finds that Mr. Price's experience as an Assistant Professor of Geography and Environmental Studies at the University of Hawai'i at Hilo, commitment to public service, and proven leadership qualify him for reappointment to the Natural Area Reserves System Commission. Your Committee notes that Mr. Price has served as a member of the Natural Area Reserves System Commission since 2012 and has over twenty years of experience in native Hawaiian ecosystems. He is a member of the Big Island Invasive Species Committee Executive Committee and the Laupahoehoe Advisory Council for the Hawai'i Tropical Experimental Forest. He has previously served on the Boards of Directors of Friends of Hakalau Forest and Hawai'i Organic Farmers Association. Your Committee further finds that Mr. Price has been nominated for reappointment to the Natural Area Reserves System Commission based on his knowledge and experience with native Hawaiian ecosystems and willingness to serve the public.

ROBIN NEWBOLD

Your Committee received testimony in support of the nomination for the reappointment of Robin Newbold from the Department of Land and Natural Resources, Maui Ocean Center, and six individuals.

Upon review of the testimony, your Committee finds that Ms. Newbold's experience as a Marine Educator and Researcher, commitment to public service, and proven leadership qualify her for reappointment to the Natural Area Reserves System Commission. Your Committee notes that Ms. Newbold has served as a member of the Natural Area Reserves System Commission since 2012. She is the Co-Founder and Chair of the Maui Nui Marine Resource Council, a member of the Hawaiian Islands Humpback Whale National Marine Sanctuary Advisory Council, and former member of REEF in Hawaii and the Pacific Whale Foundation Coral Reef Project Scientific Dive Team. Ms. Newbold indicated in her personal statement that her goals are to contribute knowledge and experience to the protection of Hawaii's natural resources; promote scientific research and monitoring while honoring cultural traditions; increase public awareness of the natural area reserves and their importance to the State; and represent sensitive issues at Ahihi Kina'u Natural Area Reserve and its marine-related issues. Your Committee further finds that Ms. Newbold has been nominated for reappointment to the Natural Area Reserves System Commission based on her knowledge and experience in the scientific field of marine biology and willingness to serve the public.

THOMAS RANKER

Your Committee received testimony in support of the nomination for the appointment of Thomas Ranker from the Department of Land and Natural Resources and three individuals.

Upon review of the testimony, your Committee finds that Dr. Ranker's experience as a Professor of Botany at the University of Hawai'i at Manoa, commitment to public service, and proven leadership qualify him for appointment to the Natural Area Reserves System Commission. Your Committee notes that Dr. Ranker has extensive experience with research, identifying botanical specimens, and guiding graduate students; and is the only scientist in the State whose research focuses specifically on the biology, ecology, conservation, and evolution of ferns and lycophytes, which often comprise a large part of the biomass of Hawaii's ecosystems and are critical to ecosystem function and watershed management. He previously served as the Program Director for the National Science Foundation, Division of Environmental Biology, Systematics and Biodiversity Science Cluster in Arlington, Virginia. He is a member of the American Association for the Advancement of Science, American Fern Society, American Society of Plant Taxonomists, Association for Tropical Biology & Conservation, Botanical Society of America, International Association for Plant Taxonomy, International Association of Pteridologists, Society for Conservation Biology, Society for the Study of Evolution, Society of Systematic Biologists, and The American Society of Naturalists. Your Committee further finds that Dr. Ranker has been nominated for appointment to the Natural Area Reserves System Commission based on his knowledge and experience in the scientific field of botany and willingness to serve the public.

As affirmed by the records of votes of the members of your Committee on Water, Land, and 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, 3 (Thielen, Wakai, Slom).

SCRep. 3690 Hawaiian Affairs on Gov. Msg. Nos. 625, 743, 744, and 777

Recommending that the Senate advise and consent to the nominations of the following:

ISLAND BURIAL COUNCIL, ISLAND OF OAHU

- G.M. No. 625 CHARLES MITCHELL, for a term to expire 06-30-2019;
 G.M. No. 743 NORMAN CACERES, for a term to expire 06-30-2016;
 G.M. No. 744 NORMAN CACERES, for a term to expire 06-30-2020; and
 G.M. No. 777 BEVERLY AMARAL, for a term to expire 06-30-2017

CHARLES MITCHELL

Your Committee received testimony in support of the nomination for the appointment of Charles Mitchell from the Department of Land and Natural Resources; Office of Hawaiian Affairs; Ho'omana Pono, LLC; and five individuals. Your Committee received comments on the nomination for appointment from one individual.

Your Committee finds that Mr. Mitchell is a practicing Cultural Anthropologist who has been involved with preserving iwi kūpuna since he was a child and has demonstrated his dedication to preserving iwi kūpuna throughout his life. Mr. Mitchell has a Bachelor's degree in Anthropology with an emphasis on Archaeology from the University of Hawaii at Hilo, and a Master's degree in Applied Indigenous Knowledge from Te Wānanga O Aotearoa Universities, Hamilton, New Zealand. Your Committee further finds that Mr. Mitchell has developed knowledge and experience relating to the State Historic Preservation Division burials program as a Project Director and Cultural Advisor for Cultural Surveys Hawaii. Your Committee therefore finds that Mr. Mitchell's dedication to preserving iwi kūpuna, and his professional and personal experience and knowledge qualify him for appointment to the Island Burial Council, Island of O'ahu, representing the geographic region of Waianae.

NORMAN CACERES

Your Committee received testimony in support of the nomination for the appointment and reappointment of Norman Caceres from the Department of Land and Natural Resources; Cultural Surveys Hawaii, Inc.; The Taubman Company; and twelve individuals.

Upon review of the testimony, your Committee finds that Mr. Caceres's professional experience and background qualify him for appointment and reappointment to the Island Burial Council, Island of O'ahu, representing the geographic region of Ewa. Your Committee notes that Mr. Caceres is currently employed by 'Oiwī Cultural Resources as a Cultural Monitor Assistant Manager, and in this position he has worked on facilitating proper treatment and protection of human skeletal remains. Your Committee further finds that Mr. Caceres's experience in working with iwi kūpuna will continue to be a valuable asset to the Island Burial Council, Island of O'ahu.

BEVERLY AMARAL

Your Committee received testimony in support of the nomination for the appointment of Beverly Amaral from the Department of Land and Natural Resources and two individuals.

Your Committee finds that Ms. Amaral has worked in real estate sales and property management for more than twenty years. Your Committee further finds that Ms. Amaral has expressed a strong interest in the issues faced by the Island Burial Council, Island of O'ahu, and understands the importance of balancing Native Hawaiian issues and contemporary Hawaii life. Your Committee further finds that Ms. Amaral's experience in real property transactions and her commitment to public service qualify her for appointment to the Island Burial Council, Island of O'ahu, representing landowners and developers.

As affirmed by the records of votes of the members of your Committee on Hawaiian 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 (English, Slom).

SCRep. 3691 Higher Education and the Arts on Gov. Msg. No. 805

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE RESEARCH CORPORATION OF THE UNIVERSITY OF HAWAII

- G.M. No. 805 KELLI GOODIN, for a term to expire 06-30-2019

Your Committee received testimony in support of the nomination for the appointment of Kelli Goodin from the University of Hawai'i System, Research Corporation of the University of Hawai'i, and five individuals.

Upon review of the testimony, your Committee finds that Ms. Goodin's professional experience and background qualify her for appointment to the Board of Directors of the Research Corporation of the University of Hawai'i as a representative of a non-University of Hawai'i research organization. Your Committee notes that Ms. Goodin is a University of Hawai'i alumnus, and as an engineer in Hawaii Ms. Goodin has collaborated on contracts and grants with University researchers. Ms. Goodin has over twenty-five years of experience managing complex engineering projects. Your Committee finds that Ms. Goodin has built a strong reputation in Hawaii's engineering and research communities, earning support for her nomination from academic professionals at the University and from professionals in Hawaii's private engineering industry. Your Committee further finds that Ms. Goodin has been nominated for appointment to the Board of Directors of the Research Corporation of the University of Hawai'i as a representative of a non-University of Hawai'i research organization based on her knowledge, experience, and commitment to public service.

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, 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 (Kidani, Slom).

SCRep. 3692 Human Services on H.C.R. No. 10

The purpose and intent of this measure is to urge the various state and county departments who manage and own land around each of the planned rail transit stations to consider and include in development discussions, to the greatest extent possible, affordable housing, child and family services, elderly services, and other beneficial opportunities for the people of Hawaii.

Your Committee received testimony in support of this measure from the Department of Human Services, Hawaii Housing Finance & Development Corporation, Hawaii Public Housing Authority, Office of Planning, and four individuals.

Your Committee finds that transit-oriented development has the potential to bring together elements of affordable housing, health and community services, educational and economic development opportunities, and commercial and retail activities to enliven neighborhoods around the planned rail stations of the Honolulu Rail Transit Project and to revitalize Oahu's urban centers.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 10, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Harimoto, Ruderman, Slom).

SCRep. 3693 Judiciary and Labor on H.C.R. No. 29

The purpose and intent of this measure is to urge Hawaii's congressional delegation to propose and pass a proposed amendment to the United States Constitution clarifying that corporations are not people with constitutional rights and that unlimited campaign spending is not free speech.

Your Committee received testimony in support of this measure from the Hawai'i State Association of Counties, Common Cause Hawaii, and twenty individuals.

Your Committee finds that the United States Supreme Court held in *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010) that corporations are conferred the right to free speech under the First Amendment of the United States Constitution and thereby allowed unlimited campaign spending. Testimony in support of this measure indicates that the constitutional right to free speech should be exclusive to natural persons rather than to corporations, which are legal entities. Furthermore, the effect of *Citizens United* is that unlimited corporate campaign spending may sway votes and influence elections, candidate selections, and policy decisions. This measure addresses the holding of *Citizens United*, which affects the ability of the United States Congress and states to regulate the influence of corporate power on the political system.

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. 29, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 3694 Judiciary and Labor on H.C.R. No. 127

The purpose and intent of this measure is to:

- (1) Request the Legislative Reference Bureau to conduct a study on the feasibility and advisability of decriminalizing the illegal possession of drugs for personal use in Hawaii;
- (2) Request the Legislative Reference Bureau to submit a written report of its findings and recommendations, including any proposed legislation, to the Legislature prior to the Regular Session of 2017; and
- (3) Request the Judiciary and Department of Public Safety to provide statistics and other information as may be requested by the Legislative Reference Bureau to assist in the timely completion of the study.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons, The Drug Policy Action Group, The Drug Policy Forum of Hawai'i, Hawai'i Coalition for Immigrant Rights, The Libertarian Party of Hawaii, and fourteen individuals. Your Committee received comments on this measure from the Legislative Reference Bureau.

Your Committee finds that despite the enforcement of illicit drug prohibition and imposition of harsh penalties for drug possession and sales, illicit drug use in the United States has been increasing. The 2014 National Drug Control Strategy recognized that many people charged with drug-related crimes are afflicted with an underlying substance abuse disorder that warrants the diversion of non-violent offenders to drug treatment instead of prison.

Your Committee notes that in 2001, Portugal became the first European country to officially abolish all criminal penalties for the possession of drugs for personal use, making these violations exclusively an administrative matter processed in noncriminal proceedings, while continuing to prosecute drug trafficking as a criminal offense. The result of Portugal's drug decriminalization system includes no adverse effect on drug usage rates, a decrease in lifetime prevalence rates for drug use among various age groups, a dramatic decrease in drug-related deaths, and a steady decline in drug trafficking. By exploring the feasibility and advisability of decriminalizing illegal possession of drugs, similar to Portugal's drug decriminalization system, this measure provides a potential model for more effectively managing drug-related problems in Hawaii.

Your Committee has amended this measure by:

- (1) Clarifying that the Legislative Reference Bureau is requested to conduct a study on the potential impact on administrative and judicial systems of state government, rather than the feasibility and advisability of decriminalizing the illegal possession of drugs for personal use in Hawaii, and making conforming amendments to its title;

- (2) Clarifying that the survey include all existing criminal drug offenses in Hawaii that are class C felonies or lower offenses that pertain to possession of a harmful drug, detrimental drug, marijuana, or marijuana concentrate; 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 concurs with the intent and purpose of H.C.R. No. 127, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 127, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 3 (Gabbard, Thielen, Slom).

SCRep. 3695 Ways and Means on H.C.R. No. 188

The purpose and intent of this measure is to establish a negotiating committee to resolve the matter of the appropriate amount of income and proceeds from the pro rata portion of the public land trust that the Office of Hawaiian Affairs shall receive annually under the state constitution and other state law.

Specifically, this measure establishes a negotiating committee comprised of members representing the Senate, the House of Representatives, the Governor, and the Office of Hawaiian Affairs.

Your Committee received written comments in support of this measure from the Office of Hawaiian Affairs, Aha Punana Leo, Association of Hawaiian Civic Clubs, Kalihi Palama Hawaiian Civic Club, and six individuals.

Your Committee received written comments 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, as an "interim measure," Act 178, Session Laws of Hawaii 2006, set the Office of Hawaiian Affairs' pro rata share of the income and proceeds from the public land trust at \$15,100,000. Your Committee also finds that Act 15, Session Laws of Hawaii 2012, was enacted to settle claims of the Office of Hawaiian Affairs, relating to its pro rata share of the income and proceeds from the public land trust, for the period from November 7, 1978, to June 30, 2012. Your Committee notes, however, that Act 15 did not address the State's constitutional obligations relating to the Office of Hawaiian Affairs' pro rata share of the income and proceeds from the public land trust after June 30, 2012.

Your Committee has amended this measure by:

- (1) Clarifying that the negotiating committee shall be convened by the Governor and placed within the Office of the Governor for administrative purposes;
- (2) Clarifying that the negotiating committee shall be chaired by the Governor or the Governor's designee; 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 concurs with the intent and purpose of H.C.R. No. 188, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 188, H.D. 1, S.D. 1.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3696 Ways and Means on H.C.R. No. 103

The purpose and intent of this measure is to request the Superintendent of Education to consider reintroducing vocational programs at public schools.

Specifically, the measure requests the Superintendent of Education to:

- (1) Establish a task force to identify vocational programs appropriate for implementation at public high schools, develop corresponding curricula, and identify costs of or other barriers to reintroducing vocational programs at public high schools; and
- (2) Submit a report on the findings and recommendations of the task force to the Legislature.

Your Committee received written comments in support of this measure from the Department of Education, Hawaii State Teachers Association, Hawaii Laborers Union Local 368, IMUAlliance, Hawaii Island School Garden Network, and three individuals.

Your Committee finds that vocational education at public schools helps to expand the educational training offered to students by providing students with skills they may use in obtaining gainful employment. Your Committee also recognizes that a vocational program could help to reduce the \$300,000,000 repair and maintenance backlog of the public school system through student participation in supervised projects conducted on school sites.

As 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. 103, and recommends its adoption.

Signed by the Chair on behalf of the Committee.
Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3697 Ways and Means on H.C.R. No. 137

The purpose and intent of this measure is to request the Department of Education to convene a working group to review after-school programs in Hawaii's public middle and intermediate schools.

Your Committee received written comments in support of this measure from Hawaii Afterschool Alliance, After-School All-Stars Hawaii, and five individuals.

Your Committee received written comments on this measure from the Department of Education, Department of Human Services, Office of Youth Services, and one individual.

Your Committee finds that many middle and intermediate school students lack access to safe and structured after-school activities. Students in low-income families suffer the most from the lack of access, since their parents often work multiple jobs and finish work long after the school day is complete. Your Committee recognizes that the Department of Education established the After-School Plus Program in 1990 to provide after-school care, including enrichment activities and supervised recreational activities, at more than one hundred ninety participating schools. While the program is open to elementary school students whose parents work, attend school, or participate in job-training programs, the program is not available for students in middle and intermediate public schools. Accordingly, your Committee believes that a review of after-school programs in Hawaii's public middle and intermediate schools is appropriate for the purpose of exploring ways to improve the availability, quality, and coordination of these programs.

Your Committee has amended this measure by:

- (1) Requesting that the Superintendent of Education or the Superintendent's designee invite representatives from the Office of the Lieutenant Governor and Hawaii Afterschool Alliance to join the working group; and
- (2) Adding the Lieutenant Governor and the Hawaii Afterschool Alliance to the certified copy transmittal list.

As 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. 137, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 137, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3698 Ways and Means on H.C.R. No. 90

The purpose and intent of this measure is to request the Chief of the Department of Health Emergency Medical Services and Injury Prevention System Branch to convene and chair a working group to develop a community paramedic program to alleviate emergency services from responding to non-emergency calls.

Your Committee received written comments in support of this measure from the American Medical Response, Kauai Paramedics Association, University of Hawaii, and eleven individuals.

Your Committee finds that a community paramedic program may improve access to care for persons in rural and metropolitan areas statewide who request non-emergent care through the emergency medical services system. Doing so will conserve emergency medical services resources for use in providing emergency 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 concurs with the intent and purpose of H.C.R. No. 90, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3699 Ways and Means on H.C.R. No. 169

The purpose and intent of this measure is to request the Department of Transportation to begin construction of the Leeward Bikeway in 2016.

This measure also requests the Department to report to the Legislature on the progress of construction before the 2017 Regular Session.

Your Committee received written comments in support of this measure from The Trust for Public Land, Hawaii Bicycling League, Hawaii Public Health Institute, and ten individuals.

Your Committee finds that in the 2006 General Election, seventy-two percent of Oahu residents voted to amend the Revised Charter of Honolulu to make Oahu more pedestrian- and bicycle-friendly. Your Committee recognizes that community advocates have spent considerable time pursuing the completion of the multi-use path that links the Pearl Harbor Historic Trail to Nanakuli as part of a larger, long-planned multi-use path for the south shore of Oahu. Funding for the path has been available for over twenty years. Your Committee believes that a multi-use path is an overdue transportation alternative that will give Leeward Oahu residents and visitors another option for getting to work and school, exercising, and recreational activities.

As 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. 169, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3700 Ways and Means on H.C.R. No. 4

The purpose and intent of this measure is to request the Auditor to conduct a management audit of the asset forfeiture program of the Department of the Attorney General and submit 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 2017.

Your Committee received written comments in support of this measure from the American Civil Liberties Union of Hawaii, Community Alliance on Prisons, Drug Policy Action Group, Drug Policy Forum of Hawaii, The CHOW Project, and two individuals.

Your Committee finds that, in 1988, the Legislature enacted chapter 712A, Hawaii Revised Statutes, the Hawaii Omnibus Criminal Forfeiture Act, which provides for the forfeiture of property used or acquired in connection with the commission of certain criminal offenses. The Department of the Attorney General operates the asset forfeiture program and administratively processes forfeitures of personal property worth less than \$100,000 or forfeitures of any vehicle or conveyance.

Your Committee also finds that the Attorney General is authorized to dispose of property forfeited to the State through administrative or judicial proceedings, and a portion of forfeited currency and sale proceeds of forfeited property are distributed to the relevant law enforcement agency and prosecuting attorney to be used solely for law enforcement purposes. Remaining currency and proceeds are deposited into the criminal forfeiture fund.

Your Committee notes that it has been twenty years since the Auditor conducted an audit of the asset forfeiture program. Your Committee believes that a management audit of the asset forfeiture program will ensure that the program achieves its intended purpose of depriving individuals who engage in illegal activities of property used in, or derived from, those activities.

As 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. 4, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3701 Ways and Means on H.C.R. No. 23

The purpose and intent of this measure is to urge the United States Congress to amend federal law to allow funds for the burial of qualified Filipino-American veterans in national and state veterans cemeteries to cover the costs of transporting the remains of Filipino-American veterans of World War II to the Philippines and for funeral and burial services in the Philippines.

Your Committee received written comments in support of this measure from the State Office of Veterans' Services and one individual.

Your Committee finds that nearly one hundred thousand soldiers of the Philippine Commonwealth Army fought in some of the bloodiest battles alongside the United States and its allies during World War II to defend and reclaim the Philippine Islands. As a condition of these soldiers' service, the United States promised the soldiers military pay and benefits. However, upon the ending of the war, the United States Congress enacted legislation taking away these veteran's benefits and recognition. Your Committee further finds that some Filipino-American veterans may wish to have their remains transported to the Philippines for burial, but the costs for the transportation of human remains can be significant. Considering the service provided to our country, your Committee supports amendments to federal law that allow for the covering of costs for transporting veteran remains to the Philippines along with funeral and burial services in the Philippines.

As 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. 23, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3702 Ways and Means on H.C.R. No. 58

The purpose and intent of this measure is to authorize the amendment of a perpetual non-exclusive easement for maintenance and repair of an existing seawall and landscaping of an easement area at Lahaina on the island of Maui.

For purposes of holding a public hearing on this measure, your Committee prepared and circulated a proposed Senate Draft 1 of this measure that deleted the measure's contents and title and replaced it with the contents of House Concurrent Resolution No. 88, Senate Draft 1, authorizing the issuance of a term, non-exclusive easement covering a portion of state submerged lands fronting the property identified as tax map key: (2) 4-8-003: seaward of 006, Olowalu, Lahaina, Maui, Hawaii, for the construction of a boulder fill revetment to protect Honoapiilani Highway from damage due to shoreline erosion.

Your Committee received testimony in support of the proposed Senate Draft 1 from the Department of Transportation and Department of Land and Natural Resources.

Your Committee received testimony in opposition to the proposed Senate Draft 1 from The Hawaii Association for Marine Education and Research, Inc.

Your Committee finds that portions of Honoapiilani Highway are being negatively impacted by shoreline erosion in the area of Olowalu, Lahaina, Maui. The Highways Division of the Department of Transportation has requested an easement on unencumbered state lands adjacent to the highway to allow for the construction of a boulder fill revetment along a 900-foot section of the seaward side of the highway, outside of the highway right of way, to protect the highway from damage due to shoreline erosion.

Your Committee further finds that on April 11, 2014, the Board of Land and Natural Resources approved conservation district use application MA-3708 for the subject project and, on August 14, 2015, approved the grant of a term, non-exclusive easement for sixty-five years to account for the use of government lands that the newly constructed boulder fill revetment will encumber.

Your Committee also 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.

Accordingly, your Committee has amended this measure by adopting the proposed Senate Draft 1.

Your Committee notes that The Hawaii Association for Marine Education and Research submitted written testimony that raised concerns about environmental issues related to seawalls. Accordingly, your Committee requests the Department of Transportation to work with stakeholders regarding those concerns.

As 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. 58, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 58, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6; Ayes with Reservations (Riviere). Noes, none. Excused, 5 (Chun Oakland, English, Harimoto, Taniguchi, Slom).

SCRep. 3703 Ways and Means on H.C.R. No. 88

The purpose and intent of this measure is to authorize the issuance of a term, non-exclusive easement covering a portion of State submerged lands fronting the property identified as tax map key: (2) 4-8-003: seaward of 006, Olowalu, Lahaina, Maui, Hawaii, for the construction of a boulder fill revetment to protect Honoapiilani Highway from damage due to shoreline erosion.

Your Committee finds that, during a shoreline survey and certification process, the Department of Transportation, Highways Division, discovered that erosion was impacting the Honoapiilani Highway. The Department has since requested an easement for the construction and maintenance of a boulder fill revetment as a means of protecting the shoreline and highway. Your Committee believes that the issuance of an easement for these purposes should be authorized.

Prior to the hearing on this measure, a proposed S.D. 2 was prepared and made available for public review. The proposed S.D. 2 replaces the contents of this measure with the original version of the measure, requesting the Department of Transportation to designate Honolulu International Airport as the Daniel K. Inouye International Airport.

Your Committee received testimony in support of the proposed S.D. 2 from the Department of Transportation and the Daniel K. Inouye Institute.

Your Committee finds that the late Senator Daniel K. Inouye was instrumental in marshalling federal funding over the years to maintain and develop essential infrastructure of Honolulu International Airport. Your Committee believes that it is appropriate to memorialize Senator Inouye's legacy of shaping the Honolulu International Airport into a hub for international air travel by designating the airport as the Daniel K. Inouye International Airport.

Accordingly, your Committee has amended this measure by replacing its contents with the contents of the measure as originally introduced. In addition, your Committee has inserted the contents of this measure as received by your Committee, authorizing the issuance of the easement for the construction of a boulder fill revetment to protect Honoapiilani Highway from damage due to shoreline erosion, into House Concurrent Resolution No. 58, S.D. 1.

As 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. 88, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 88, S.D. 2.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, English, Harimoto, Taniguchi, Slom).

SCRep. 3704 Ways and Means on S.R. No. 18

The purpose and intent of this measure is to urge the United States Citizenship and Immigration Services to immediately resume biometric intake and interviews on the Counties of Hawaii, Maui, and Kauai.

Your Committee received written comments in support of this measure from the Hawaii Coalition for Immigrant Rights.

Your Committee received written comments in opposition to this measure from one individual.

Your Committee finds that Hawaii is among the top five states with the highest share of immigrants in their population. Your Committee also finds that the United States Citizenship and Immigration Services terminated quarterly interview services for the neighbor islands in 2007 and quarterly biometric intake for the neighbor islands in 2009. As a result, immigrants residing on the neighbor islands who require these services are forced to travel to Honolulu, at their own expense, in order to obtain or maintain lawful immigration status. Fees related to immigration applications are substantial and, when combined with the cost of roundtrip air travel to Honolulu, present a significant barrier to those trying to lawfully comply with the immigration process. Your Committee believes that restoring biometric intake and interviews on the neighbor islands would alleviate an inequitable financial burden imposed on immigrants who reside on those islands.

As 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. 18, S.D. 1, and recommends its adoption.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 5 (Chun Oakland, Harimoto, Taniguchi, Wakai, Slom).

SCRep. 3705 Water, Land, and Agriculture on Gov. Msg. Nos. 791 and 792

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DIRECTORS OF THE AGRIBUSINESS DEVELOPMENT CORPORATION

GM. No. 791 LETITIA UYEHARA, for a term to expire 06-30-2020; and

GM. No. 792 DENISE ALBANO, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Letitia Uyehara and Denise Albano to possess the requisite qualifications to be nominated for reappointment to the Board of Directors of the Agribusiness Development Corporation.

LETITIA UYEHARA

Your Committee received testimony in support of the nomination for the reappointment of Letitia Uyehara from the Department of Agriculture; Agribusiness Development Corporation; Hawai'i Farm Bureau; Meadow Gold Dairies; Kawamata Farms, LLC; Hirako Farms, Inc.; The Family Farm, Inc.; Larry Jefts Farms, LLC; and five individuals.

Upon review of the testimony, your Committee finds that Ms. Uyehara's experience as the Director of Marketing and Food Safety at Armstrong Produce, Ltd.; commitment to public service; and proven leadership qualify her for reappointment to the Board of Directors of the Agribusiness Development Corporation. Your Committee notes that Ms. Uyehara has served as the Chair of the Board of Directors of the Agribusiness Development Corporation since 2012. She has many years of experience in the agricultural industry and has served previously as the Deputy Director of the Department of Agriculture, Administrative Assistant to the Speaker of the House of Representatives, and Director of the Department of Health Office of Environmental Quality Control. Based on Ms. Uyehara's knowledge, experience, and commitment to public service, your Committee finds that Ms. Uyehara will continue to be an asset to the Board of Directors of the Agribusiness Development Corporation.

DENISE ALBANO

Your Committee received testimony in support of the nomination for the reappointment of Denise Albano from the Department of Agriculture; Agribusiness Development Corporation; The Trust for Public Land; Hawai'i Farm Bureau; Ulupono Initiative; Meadow Gold Dairies; Hawaii Friends of Civil Rights; Shinsato Farm; Larry Jefts Farms, LLC; and seven individuals.

Upon review of the testimony, your Committee finds that Ms. Albano's experience as a Water Systems Planner in the Department of Agriculture, commitment to public service, and proven leadership qualify her for reappointment to the Board of Directors of the Agribusiness Development Corporation. Your Committee notes that Ms. Albano has served as an interim member of the Board of Directors of the Agribusiness Development Corporation since 2014 and is the Co-Founder and prior President of Feed the Hunger Foundation. She has a background in social services for youth and has served previously on several Boards in San Francisco including the Edgewood Center for Children and Families, Presidio Community YMCA, and Mayor's Office Task Force on Ending the Sexual Exploitation of Youth. Based on Ms. Albano's knowledge, experience, and commitment to public service, your Committee finds that Ms. Albano will continue to be an asset to the Board of Directors of the Agribusiness Development Corporation.

As affirmed by the records of votes of the members of your Committee on Water, Land, and 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, 3 (Thielen, Wakai, Slom).

SCRep. 3706 Water, Land, and Agriculture on Gov. Msg. Nos. 745, 746, and 783

Recommending that the Senate advise and consent to the nominations of the following:

KAHANA VALLEY LIVING PARK PLANNING COUNCIL

GM. No. 745 KAHIAU WALLACE, for a term to expire 06-30-2020;

GM. No. 746 BENJAMIN SHAFER, for a term to expire 06-30-2019; and

GM. No. 783 MAY AU, for a term to expire 06-30-2017

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Kahiau Wallace, Benjamin Shafer, and May Au to possess the requisite qualifications to be nominated to the Kahana Valley Living Park Planning Council.

KAHIAU WALLACE

Your Committee received testimony in support of the nomination for the appointment of Kahiau Wallace from the Department of Land and Natural Resources and one individual.

Upon review of the testimony, your Committee finds that Ms. Wallace's experience as President of Hoala Aina Kupono, commitment to public service, and proven leadership qualify her for appointment to the Kahana Valley Living Park Planning Council. Your Committee notes that Ms. Wallace is a teacher and a member of the Hui Malama Loko I'a Network, a network of fishpond practitioners. Ms. Wallace indicates in her personal statement that she hopes to help build a strong network of people who have a genuine interest in aloha 'aina Kahana and collaborate to create a sustainable plan that promotes 'aina momona and helps the valley and all the people that experience it to flourish. Your Committee further finds that Ms. Wallace has been nominated for appointment to the Kahana Valley Living Park Planning Council based on her knowledge of and experience living in Kahana Valley and willingness to serve the public.

BENJAMIN SHAFER

Your Committee received testimony in support of the nomination for the reappointment of Benjamin Shafer from the Department of Land and Natural Resources and one individual.

Upon review of the testimony, your Committee finds that Mr. Shafer's experience as a resident of Kahana Valley, commitment to public service, and proven leadership qualify him for reappointment to the Kahana Valley Living Park Planning Council. Your Committee notes that Mr. Shafer has served on the Kahana Valley Living Park Planning Council since 2007 and as the Chair for the last three years. He previously served on Kahana Advisory Councils II and III. He is President of Friends of Kahana and a member of the Kahana Community Association. Your Committee further finds that Mr. Shafer has been nominated for reappointment to the Kahana Valley Living Park Planning Council based on his knowledge of and experience living in the Kahana Valley and willingness to serve the public.

MAY AU

Your Committee received testimony in support of the nomination for the reappointment of May Au from the Department of Land and Natural Resources, Aha Moku Advisory Committee, and one individual.

Upon review of the testimony, your Committee finds that Ms. Au's experience as a resident of Kahana Valley, commitment to public service, and proven leadership qualify her for reappointment to the Kahana Valley Living Park Planning Council. Your Committee notes that Ms. Au has served on the Kahana Valley Living Park Planning Council since 2009. She spent forty years in the United States Postal Service and is active with the Ko'olaupoko and Ko'olauloa Hawaiian Civic Clubs, a Kupuna Council member of the Ko'olauloa Community Health and Wellness Center, and Treasurer of the Kahana Community Association. Your Committee further finds that Ms. Au has been nominated for reappointment to the Kahana Valley Living Park Planning Council based on her knowledge of and experience living in Kahana Valley and willingness to serve the public.

As affirmed by the records of votes of the members of your Committee on Water, Land, and 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, 3 (Thielen, Wakai, Slom).

SCRep. 3707 Hawaiian Affairs on Gov. Msg. Nos. 778, 838, 839, 840, and 841

Recommending that the Senate advise and consent to the nominations of the following:

ISLAND BURIAL COUNCIL, ISLANDS OF MAUI AND LANAI

- G.M. No. 778 EVALINA WATANABE, for a term to expire 06-30-2017;
- G.M. No. 838 KAHELEONOLANI DUKELOW, for a term to expire 06-30-2019;
- G.M. No. 839 LEIANE PACI, for a term to expire 06-30-2019;
- G.M. No. 840 KALANI HO-NIKAIDO, for a term to expire 06-30-2019; and
- G.M. No. 841 SOLOMON CHURCH, for a term to expire 06-30-2017

EVALINA WATANABE

Your Committee received testimony in support of the nomination for the appointment of Evalina Watanabe from the Department of Land and Natural Resources and Office of Hawaiian Affairs.

Your Committee finds that Ms. Watanabe has strong ties to the Lāna'i community where she was born and raised, and where her family owns kuleana land. Ms. Watanabe has worked with numerous organizations focused on the interests of Hawaiian communities on Maui and Lāna'i including the Office of Hawaiian Affairs, Kamehameha Schools, Department of Hawaiian Home Lands, Alu Like, and Department of Education Kupuna Program. Through her membership in Hui Mālama Pono o Lāna'i and Lāna'i Archaeological Committee, Ms. Watanabe has visited many sacred places on Lāna'i and has helped reinter iwi from Lāna'i Hale. Your Committee therefore finds that Ms. Watanabe is qualified to be appointed to the Island Burial Council, Islands of Maui and Lāna'i, representing the geographic region of Lāna'i, based on her experience, background, and commitment to the Lāna'i community.

KAHELEONOLANI DUKELOW

Your Committee received testimony in support of the nomination for the reappointment of Kaheleonolani Dukelow from the Department of Land and Natural Resources, Office of Hawaiian Affairs, and Aha Moku Advisory Committee.

Upon review of the testimony, your Committee finds that Ms. Dukelow has demonstrated a strong commitment to Hawaiian language and culture through her professional and personal contributions to these fields. Ms. Dukelow was born and raised on Maui and has earned a Bachelor's degree in Hawaiian Studies with a Hawaiian Language Certificate and Master of Education degree from the University of Hawaii. She is an Assistant Professor of Hawaiian Studies and Language at Maui Community College, and is currently involved in a stewardship program caring for iwi kūpuna in the Office of Hawaiian Affairs' twenty-one acre cultural preserve, which is located in the same district that she is being nominated to represent. Your Committee further finds that as a result of her work, Ms. Dukelow is a respected advocate for Hawaiian culture in her community. Your Committee also finds that Ms. Dukelow has been a member of the Island Burial Council, Islands of Maui and Lāna'i for the last two years, and thus has a thorough understanding of the role and responsibilities of board members. Your Committee therefore finds that Ms. Dukelow has been nominated for reappointment to the Island Burial Council, Islands of Maui and Lāna'i, representing the geographic region of Honua'ula, based on her knowledge, professional experience, and commitment to Hawaiian culture in the State.

LEIANE PACI

Your Committee received testimony in support of the nomination for the reappointment of Leiane Paci from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Ms. Paci has worked in the development and construction fields for more than twenty years, and she is currently a Partner of the development firm Maui Lani Partners. In Ms. Paci's role as Partner, she oversees, among other things, the handling of sensitive Native Hawaiian issues and provides guidance in the establishment of archaeological and burial preservation sites. Ms. Paci currently serves on the Island Burial Council, Islands of Maui and Lāna'i, and your Committee finds that her professional experience has been and will continue to be a valuable asset to the Council. Your Committee further finds that Ms. Paci has a thorough understanding of the role and responsibilities of board members and has been nominated for reappointment to the Island Burial Council, Islands of Maui and Lāna'i, representing landowners and developers based on her knowledge and professional experience.

KALANI HO-NIKAIDO

Your Committee received testimony in support of the nomination for the reappointment of Kalani Ho-Nikaido from the Department of Land and Natural Resources.

Your Committee finds that Ms. Ho-Nikaido holds a degree in Business Administration from the University of Denver and has worked in real property management, development, and sales for many years. Your Committee further finds that Ms. Ho-Nikaido's knowledge and experience, particularly in managing Maui Land & Pineapple Company's lands and facilitating farm support services in Maui, have been valuable to the Island Burial Council, Islands of Maui and Lāna'i, and that she has a thorough understanding of the role and responsibilities of board members. Your Committee therefore finds that Ms. Ho-Nikaido has been nominated for reappointment to the Island Burial Council, Islands of Maui and Lāna'i, representing landowners and developers based on her knowledge and professional experience.

SOLOMON CHURCH

Your Committee received testimony in support of the nomination for the appointment of Solomon Church from the Department of Land and Natural Resources and Office of Hawaiian Affairs.

Your Committee finds that Mr. Church is a devoted member of the Hana community where he has been a resident for his entire life. Mr. Church is currently Vice Chair of the Hana Community Association and was formerly the Association's Chair. Mr. Church traces his genealogy back many generations throughout East Maui to Hāna, Kaupō, Waihe'e, and Ke'anae, where most of his 'ohana still resides. Your Committee finds that Mr. Church has been nominated to the Island Burial Council, Islands of Maui and Lāna'i, representing the geographic region of Hana based on his background and knowledge of the Hana community, which will bring a valuable perspective to the Council.

As affirmed by the records of votes of the members of your Committee on Hawaiian 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 (English, Slom).

SCRep. 3708 Hawaiian Affairs on Gov. Msg. Nos. 878, 880, 881, 882, 883, and 884

Recommending that the Senate advise and consent to the nominations of the following:

ISLAND BURIAL COUNCIL, ISLANDS OF KAUA'I AND NIHAU

- G.M. No. 878 RICHARD NESMITH, for a term to expire 06-30-2017;
- G.M. No. 880 KEITH YAP, for a term to expire 06-30-2016;
- G.M. No. 881 KEITH YAP, for a term to expire 06-30-2020;
- G.M. No. 882 THEODORE BLAKE, for a term to expire 06-30-2016;
- G.M. No. 883 THEODORE BLAKE, for a term to expire 06-30-2020; and
- G.M. No. 884 SANDRA QUINSAAT, for a term to expire 06-30-2020

RICHARD NESMITH

Your Committee received testimony in support of the nomination for the appointment of Richard NeSmith from the Department of Land and Natural Resources, Office of Hawaiian Affairs, County of Kauai Office of Economic Development, and two individuals.

Upon review of the testimony, your Committee finds that Mr. NeSmith has built a reputation in his community for promoting Hawaiian culture and language. Mr. NeSmith was born in Waimea, Kaua'i and raised in Kekaha, and he has 'ohana ties to Anahola and kūpuna in Halele'a and Nāpali. Mr. NeSmith has a Doctor of Philosophy in applied linguistics from the School of Maori and Pacific Development, University of Waikato, New Zealand. He also holds a Master of Arts in Pacific Islands Studies from the University of Hawaii at Manoa and a Bachelor's degree in Hawaiian Studies. Mr. NeSmith has taught Hawaiian language, literature, and culture for more than twenty years. Your Committee therefore finds that Mr. NeSmith has been nominated for appointment to the Island Burial Council, Islands of Kaua'i and Ni'ihau based on his knowledge, experience, and commitment to Hawaiian culture and language.

KEITH YAP

Your Committee received testimony in support of the nomination for the appointment and reappointment of Keith Yap from the Department of Land and Natural Resources.

Upon review of the testimony, your Committee finds that Mr. Yap's professional skills and experience qualify him for appointment to the Island Burial Council, Islands of Kaua'i and Ni'ihau. Mr. Yap holds a Bachelor's degree in Business Administration, Accounting from the University of Hawaii. He is a Certified Public Accountant and is currently employed at Gay & Robinson, Inc., as its Director of Administration and Treasurer. Your Committee further finds that Mr. Yap's executive position with Gay & Robinson, Inc., one of Kaua'i largest landowners, provides the Council with a valuable perspective when it conducts its business and deliberations. Your Committee also finds that Mr. Yap has a thorough understanding of the role and responsibilities of council members and has been nominated for appointment and reappointment to the Island Burial Council, Islands of Kaua'i and Ni'ihau, representing landowners and developers based on his knowledge, professional experience, and commitment to the Kaua'i community.

THEODORE BLAKE

Your Committee received testimony in support of the nomination for the appointment and reappointment of Theodore Blake from the Department of Land and Natural Resources, Office of Hawaiian Affairs, and four individuals.

Upon review of the testimony, your Committee finds that Mr. Blake's substantial contributions to his community and to preserving and perpetuating Hawaiian culture demonstrate his qualification for appointment to the Island Burial Council, Islands of Kaua'i and Ni'ihau. Mr. Blake has spent more than forty-five years identifying, restoring, and preserving wahi pana and cultural sites. Your Committee further finds that the Council will benefit from the knowledge passed to Mr. Blake from his 'ohana, whose roots extend in the Kōloa area for at least sixty-five generations. Mr. Blake is also the Executive Director of Malama Koloa, an organization that seeks to preserve and perpetuate Hawaii's natural and cultural resources, and is a member of the Royal Order of Kamehameha. Your Committee finds that Mr. Blake has been nominated for appointment and reappointment to the Island Burial Council, Islands of Kaua'i and Ni'ihau, representing landowners and developers based on his knowledge, experience, and commitment to Hawaiian culture and his community.

SANDRA QUINSAAT

Your Committee received testimony in support of the nomination for the appointment of Sandra Quinsaas from the Department of Land and Natural Resources, Office of Hawaiian Affairs, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Quinsaas's professional and personal experience and her commitment to her community will be valuable assets and additions to the Island Burial Council, Islands of Kaua'i and Ni'ihau when the Board conducts its business and deliberations. Ms. Quinsaas was involved with the application of Hawaii laws regarding disposition of human skeletal remains when such remains were discovered at the Grand Hyatt Kauai Resort and Spa where she currently works as a Project Manager, and at other properties such as The Point at Poipu, Marriott Waiohai, and Sheraton Kauai Resort. Ms. Quinsaas performs reinterment of iwi kūpuna with traditional Hawaiian protocol. Your Committee finds that Ms. Quinsaas's first hand experiences with iwi kūpuna will be a helpful resource to the Island Burial Council. Your Committee also notes that Ms. Quinsaas served on the Island Burial Council, Islands of Kaua'i and Ni'ihau, from 2004 to 2012, and your Committee finds that Ms. Quinsaas has a thorough understanding of the role and responsibilities of board members. Your Committee therefore finds that Ms. Quinsaas has been nominated for appointment to the Island Burial Council, Islands of Kaua'i and Ni'ihau, representing the geographic region of Koloa based on her knowledge, professional experience, and commitment to her community.

As affirmed by the records of votes of the members of your Committee on Hawaiian 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 (English, Slom).

SCRep. 3709 Judiciary and Labor on Jud. Com. No. 8

Recommending that the Senate consent to the nomination of the following:

DISTRICT COURT OF THE THIRD CIRCUIT

J.C. No. 8 DARIEN W.L. CHING NAGATA, for a term to expire in 6 years

Your Committee has reviewed the resume and statements submitted by the appointee and finds Darien W.L. Ching Nagata to possess the requisite qualifications to be appointed to the District Court of the Third Circuit, State of Hawaii.

Testimony in support of the appointment of Ms. Nagata was submitted by the Office of the Prosecuting Attorney, County of Hawai'i; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kaua'i; Retired Judge Riki May Amano, Circuit Court of the Third Circuit; and twenty-nine 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 Court Judge, Third Circuit, based on all categories of the HSBA criteria that include: 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. Nagata earned her Bachelor of Science degree in Commerce from Santa Clara University where she was a member of the Women's Division I Tennis Team. After studying abroad in Shanghai and Singapore, she obtained her Doctorate of Jurisprudence from the William S. Richardson School of Law at the University of Hawaii at Manoa where she served as the President of the Student Bar Association and Student Representative for the American Bar Association.

Ms. Nagata currently serves as a Deputy Prosecuting Attorney at the Office of the Prosecuting Attorney of the County of Hawai'i where she is the District and Family Court Unit Supervising Attorney and Litigator who is in charge of supervising the District Court and Family Court (Domestic Violence and Juvenile) Units. She was also cross deputized to serve as a Special Assistant United States Attorney for the United States Attorney's Office to assist with Project Safe Neighborhood. Prior to joining the Office of the Prosecuting Attorney, she was an Associate at Yoshida & Ching where she concentrated on the litigation of personal injury, criminal, and family law cases.

Ms. Nagata is licensed to practice law in Hawaii and is an active participant in the legal community. She serves as the Neighbor Island Representative on the Hawaii Access to Justice Commission Committee on Increasing Pro Bono Services, a member of the Committee on the Delivery of Legal Services to the Public, the HSBA (Big Island) Bench Bar East Side Coordinator, and an Arbitrator for the Court Annexed Arbitration Program for the Circuit Court of the Third Circuit. She previously served in a variety of roles with the Hawaii Access to Justice Commission and HSBA, and most notably, as the President of the Hawaii County Bar Association. She also served as the Vice President of Kamehameha Schools Hawai'i Kula Ha'aha'a Keiki Choir and serves as a Board Member of the Hilo Jr. Tennis Club Board.

Testimony in support of Ms. Nagata's appointment indicate that she is patient, open-minded, courteous, firm, and compassionate. She deals with people calmly and is willing to hear and consider the views of all sides of the case. She 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 are attributes that are important at the District Court level where most of the public comes into contact with the court system. Furthermore, her experience as a Deputy Prosecuting Attorney will assist her in executing her duties and responsibilities as 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, 4. Noes, none. Excused, 3 (Gabbard, Shimabukuro, Slom).

SCRep. 3710 Judiciary and Labor on Gov. Msg. No. 603

Recommending that the Senate advise and consent to the nomination of the following:

CIVIL RIGHTS COMMISSION

G.M. No. 603 LINDA KRIEGER, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Linda Krieger to possess the requisite qualifications to be nominated for reappointment to the Hawaii Civil Rights Commission.

Your Committee received testimony in support of the nomination for the reappointment of Linda Krieger from the Hawaii Civil Rights Commission.

Ms. Krieger is a Professor of Law at the William S. Richardson School of Law at the University of Hawaii where her areas of instruction include employment discrimination law, legislation and statutory interpretation, and civil procedure. She also serves as the Director of the Ulu Lehua Scholars Program, which is a pre-admissions program at the law school to provide opportunities for legal education for students from underrepresented communities. Prior to her joining the law school faculty, Ms. Krieger worked as a civil rights lawyer in California where she litigated, at the trial and appellate levels, a number of significant state and federal sex and race discrimination and other workers' rights cases. Many of these cases established important legal and practical precedents in the areas of pregnancy discrimination, sexual harassment, and rights of workers affected by mass layoffs. She also played a significant role in drafting state and federal legislation in these subject matter areas. Subsequently, Ms. Krieger began teaching law at the University of California at Berkeley, Boalt Hall, where she taught employment discrimination law, civil procedure, legal problem solving and decision making, antidiscrimination law and policy, and an undergraduate course on American social movements and their relationship to the development of civil rights law and policy in the United States.

Ms. Krieger has published extensively in the areas of disability discrimination, affirmative action, law and social cognition theory, international comparative equality law and policy, judgment in legal decision making, and theories of law and social change. She currently serves as a member on the Committee on New Initiatives and Law School Liaison Committee for the Hawaii Access to Justice Commission and Board of Directors for Mental Health America of Hawaii.

According to testimony submitted in support of Ms. Krieger's nomination for reappointment, she has served as the Chairperson of the Civil Rights Commission since her appointment in 2011. She has been diligent and committed in the performance of her duties as Chairperson and her knowledge and expertise have been invaluable to the Commission in policy and rule making discussion and adjudication.

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 (Thielen, Slom).

SCRep. 3711 Judiciary and Labor on Gov. Msg. Nos. 638 and 661

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII WORKFORCE DEVELOPMENT COUNCIL

G.M. No. 638 ALAN HAYASHI, for a term to expire 06-30-2019; and

G.M. No. 661 KAREN ELIZABETH WHITEHEAD, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alan Hayashi and Karen Elizabeth Whitehead to possess the requisite qualifications to be nominated to the Hawai'i Workforce Development Council.

ALAN HAYASHI

Your Committee received testimony in support of the nomination for appointment of Alan Hayashi from the Workforce Development Council, Chamber of Commerce Hawaii, Meadow Gold Dairies, and one individual.

Your Committee finds that Mr. Hayashi has been actively involved in the private and public sectors for over twenty years. Mr. Hayashi served as the Executive Director of the Convention Center Authority for eleven years, worked for over ten years as Director of Government Relations and Community Relations at BAE Systems Spectral Solutions, and is presently the Support Solutions Director of Public Relations and Policy Advocacy at BAE Systems Support Solutions, an international defense and aerospace company. Mr. Hayashi has served the community as a member of various boards, including the Hawaii Strategic Development Corporation, Military Affairs Council of the Chamber of Commerce Hawaii, Army Hawaii Housing Foundation, and current Vice President of the Workforce Development Council. Testimony submitted by the Workforce Development Council notes that Mr. Hayashi's broad experience in the technology and visitor industry sectors is an important resource for the Council. Your Committee further finds that Mr. Hayashi's experience as a current member of the Workforce Development Council, as well as his professional background, will be assets to the Workforce Development Council.

KAREN ELIZABETH WHITEHEAD

Your Committee received testimony in support of the nomination for appointment of Karen Elizabeth Whitehead from the Workforce Development Council. Your Committee received comments on the nomination for appointment of Karen Elizabeth Whitehead from one individual.

Your Committee finds that Ms. Whitehead has over eighteen years of legal and financial experience. Ms. Whitehead worked for four years as the Deputy General Counsel and Senior Vice President of First Horizon National Corporation in Tennessee and is presently the Chief Administrative Officer, General Counsel, and Executive Vice President of American Savings Bank in Hawaii. In her current position, Ms. Whitehead oversees human resources, learning and development, community advancement, communications, public relations, government affairs, corporate real estate and facilities, legal, compliance, and corporate security services. Ms. Whitehead actively serves the community as a member of the Board of Directors of YWCA of Hawaii, YMCA of Hawaii, Hawaii Theatre, and Helping Hands Hawaii. Testimony submitted by the Workforce Development Council notes that Ms. Whitehead's experience and community involvement indicate that she is committed to improving the employee experience at American Savings Bank and quality of life in the community. Your Committee further finds that Ms. Whitehead's professional experience and knowledge will be strong assets to the Workforce Development Council.

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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3712 Judiciary and Labor on Gov. Msg. Nos. 697 and 698

Recommending that the Senate advise and consent to the nominations of the following:

COMMISSION TO PROMOTE UNIFORM LEGISLATION

G.M. No. 697 KEVIN SUMIDA, for a term to expire 06-30-2020; and

G.M. No. 698 PETER HAMASAKI, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Kevin Sumida and Peter Hamasaki to possess the requisite qualifications to be nominated for reappointment to the Commission to Promote Uniform Legislation.

KEVIN SUMIDA

Your Committee received testimony in support of the nomination for the reappointment of Kevin Sumida from the Department of the Attorney General and six individuals.

Mr. Sumida is licensed to practice law in Hawaii. He currently serves as Senior Principal at Sumida, Au, and Wong where he focuses his litigation practice primarily on bad faith defense and insurance defense, including personal injury, construction litigation, products liability, antitrust, and coverage disputes. Since 1982, Mr. Sumida has served on the Board of Directors of the Farrington Alumni & Community Foundation, which is the first nonprofit private foundation in Hawaii supporting a public high school. He also serves as a coach for the Farrington High School Moot Court Competition as well as a judge for the William S. Richardson School of Law's Client Counseling Competition.

According to written testimony, his fellow members on the Commission to Promote Uniform Legislation describe him as conscientious, dedicated, and hard working. He has served on the Standby Committee on the Harmonization of Business Entities Act, Drafting Committee to Revise the Uniform Residential Landlord and Tenant Act, and Standby Committee on Revised Uniform Residential Landlord and Tenant Act. He has always been an active participant in the review of the proposed uniform laws and makes valuable contributions to the final products. He is available to testify at legislative hearings on bills for uniform acts and to provide

background information to legislators and all others interested in the acts. Mr. Sumida plays a vital role in ensuring that the products of the Commission are enacted by the Legislature to benefit the State.

PETER HAMASAKI

Your Committee received testimony in support of the nomination for the reappointment of Peter Hamasaki from the Department of the Attorney General and eight individuals.

Mr. Hamasaki is licensed to practice law in Hawaii. He is currently a Partner at McCorriston Miller Mukai MacKinnon LLP, and formerly served as a Foreign Law Associate in Tokyo, Japan, for the law firm Nagashima Ohno & Tsunematsu. He is a member of the American Bar Association and Hawaii State Bar Association and also serves as a Director on the Honolulu Japanese Chamber of Commerce where he is the Chairperson for the Chamber's Government Affairs Committee.

According to written testimony, his fellow members on the Commission to Promote Uniform Legislation describe him as conscientious, dedicated, hard working, and a consummate team player who volunteers to testify at legislative hearings on a number of measures to enact proposed uniform laws. He is an active participant in all phases of preparing a uniform act for enactment, including working on drafting committees to discuss and draft new acts for presentation to all Commissioners across the nation at annual summer meetings, attending annual meetings to consider and finalize the products of all drafting committees, and preparing testimony and testifying in support of the uniform acts at the Legislature.

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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3713 Judiciary and Labor on Gov. Msg. No. 742

Recommending that the Senate advise and consent to the nomination of the following:

LABOR AND INDUSTRIAL RELATIONS APPEALS BOARD

G.M. No. 742 MARIE LADERTA, for a term to expire 06-30-2026

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Marie Laderta to possess the requisite qualifications to be nominated for appointment to the Labor and Industrial Relations Appeals Board.

Your Committee received testimony in support of the nomination for appointment of Marie Laderta from the Department of Labor and Industrial Relations and twenty-one individuals.

Your Committee finds that Ms. Laderta has seventeen years of experience working for the State, serving as Supervising Deputy Attorney General for the Tort Litigation Division of the Department of the Attorney General, Deputy Director of Department of Taxation, Director of Human Resources Development, Acting Administrator of the Hawaii Employer-Union Health Benefits Trust Fund, and Chief Adjudicator of the Administrative Driver's License Revocation Office. Ms. Laderta has received numerous awards and served the community as a member of various organizations and committees, including the Honolulu Symphony Board, Governor's Rapid Response Team, Associate Chinese University Women's Society, and Aloha United Way. Testimony submitted by the Department of Labor and Industrial Relations notes that Ms. Laderta is a current member of the Labor and Industrial Relations Appeals Board and that she has proven to be a valuable member. Your Committee further finds that Ms. Laderta's human resources and legal background, as well as her experience as a current member of the Labor and Industrial Relations Appeals Board, will be assets 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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3714 Judiciary and Labor on Gov. Msg. Nos. 844 and 845

Recommending that the Senate advise and consent to the nominations of the following:

HOISTING MACHINE OPERATORS ADVISORY BOARD

G.M. No. 844 TRISTAN ALDEGUER, for a term to expire 06-30-2020; and

G.M. No. 845 JOHN MIHLBAUER, JR., for a term to expire 06-30-2018

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Tristan Aldeguer and John Mihlbauer, Jr., to possess the requisite qualifications to be nominated and appointed to the Hoisting Machine Operators Advisory Board.

TRISTAN ALDEGUER

Your Committee received testimony in support of the nomination for the reappointment of Tristan Aldeguer from the Department of Labor and Industrial Relations and one individual.

Your Committee finds that Mr. Aldeguer has over fifteen years of occupational safety and health experience, including twelve years of construction safety management experience and two safety professional designations from the Board of Certified Safety

Professionals. Mr. Aldeguer currently serves as the Health Safety Environmental Training Manager at Hawaiian Dredging Construction Company, which owns and operates one of the largest crane fleets in the State. Mr. Aldeguer serves the community as a member of the American Society of Safety Engineers, Hawaii Occupational Safety and Health Advisory Committee, and Society of American Military Engineers; Chairperson of the Safety Committee of the General Contractors Association of Hawaii; and Vice-Chairperson of the Hoisting Machine Operators Advisory Board. Your Committee further finds that Mr. Aldeguer's experience as a current member of the Hoisting Machine Operators Advisory Board, as well as his practical knowledge, will continue to be assets to the Hoisting Machine Operators Advisory Board.

JOHN MIHLBAUER, JR.

Your Committee received testimony in support of the nomination for the appointment of John Mihlbauer, Jr., from the Department of Labor and Industrial Relations and one individual.

Your Committee finds that Mr. Mihlbauer, Jr., has over twenty-eight years of experience as a licensed mechanical engineer. Mr. Mihlbauer, Jr., currently is the President, Owner, and Principal Surveyor of All Ship & Cargo Surveys, Ltd., a marine survey business that has conducted over four thousand crane inspections. Mr. Mihlbauer, Jr., is also a United States Army Corps of Engineers Program Manager, responsible for planning and programming design and construction projects to support the Marshall Islands and the Pacific. Mr. Mihlbauer, Jr., serves the community as a Sub-Committee Chair of the American Society of Mechanical Engineers (ASME) B30.24 Standards Committee, Container Cranes, and Sub-Committee member of ASME B30.8 Standards Committee, Floating Cranes and Derricks. Your Committee further finds that Mr. Mihlbauer, Jr.'s experience in conducting inspections of cranes, as well as his proven leadership, will be assets to the Hoisting Machine Operators Advisory Board.

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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3715 Judiciary and Labor on Gov. Msg. No. 855

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I LABOR RELATIONS BOARD

G.M. No. 855 J MUSTO, for a term to expire 06-30-2022

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds J Musto to possess the requisite qualifications to be nominated for appointment to the Hawai'i Labor Relations Board.

Your Committee received testimony in support of the nomination for the appointment of J Musto from the Department of Labor and Industrial Relations; Department of Human Resources Development; University of Hawai'i System; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; Hawaii State AFL-CIO; Hawaii State Teachers Association; Research Corporation of the University of Hawai'i; University of Hawai'i at Mānoa, Industrial Relations Center; United Public Workers, AFSCME Local 646 AFL-CIO; University of Hawaii Professional Assembly; and twenty-nine individuals.

Your Committee finds that Mr. Musto worked for thirty-five years as the Executive Director and Chief Negotiator of the University of Hawaii Professional Assembly, the exclusive representative for collective bargaining unit 7, where he supervised and directed all staff and office functions; was responsible for all contract administration, grievance processing, and arbitrations; implemented all programs and policies of the Board of Directors; had fiduciary authority over the financial management of the union; and maintained all records and accounts. Mr. Musto has received numerous awards and serves or has served the community as a member of various boards, organizations, and committees, including Commissioner of the Education Commission of the States, State of Hawaii; Employer Support of the Guard and Reserve Director of Ombudsmen, Department of Defense; and Hawaii Employer-Union Health Benefits Trust Fund. Testimony submitted by the Department of Labor and Industrial Relations notes that Mr. Musto has extensive experience with chapter 89, Hawaii Revised Statutes, providing Mr. Musto with a unique perspective that would allow him to make significant contributions to the Labor Relations Board. Your Committee further finds that Mr. Musto's public sector collective bargaining experience, as well as his professionalism, will be assets to the 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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3716 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 574 and 579

Recommending that the Senate advise and consent to the nominations of the following:

STATE COUNCIL ON MENTAL HEALTH

G.M. No. 574 CHAD KOYANAGI, for a term to expire 06-30-2020 (term amended to 6-30-2019 by GM620); and

G.M. No. 579 WANDA VORSINO, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Chad Koyanagi and Wanda Vorsino to possess the requisite qualifications to be nominated to the State Council on Mental Health.

CHAD KOYANAGI

Your Committee received testimony in support of the nomination for the reappointment of Chad Koyanagi from the Department of Health.

Your Committee finds that Dr. Koyanagi is presently a Psychiatrist for the Department of Human Services MedQUEST Division and Institute for Human Services. In the past, he has served as a Psychiatrist for Castle Medical Center, Molokai General Hospital, Hawaii Pathways Project, and Kalihi-Palama Health Center; Assistant Professor at the John A. Burns School of Medicine at the University of Hawaii at Manoa; and Medical Director for The Queen's Hospital, Kekela Unit. Dr. Koyanagi is active in the community, having served on the State Council on Mental Health since 2012 and Hawaii Advisory Commission on Drug Abuse and Controlled Substances from 2001 to 2005. In his personal statement, Dr. Koyanagi indicated that he hopes to identify programs related to serving those with mental health needs that are effective, as well as focus much of his efforts on providing better care to underserved communities. Your Committee further finds that Dr. Koyanagi's work in rural and urban areas throughout the State, as well as his experience in academic and hospital settings, will continue to be great assets to the State Council on Mental Health.

WANDA VORSINO

Your Committee received testimony in support of the nomination for the reappointment of Wanda Vorsino from the Department of Health.

Your Committee finds that Dr. Vorsino is presently the Program Director of the Family Peace Center with Parents and Children Together, overseeing all aspects of the Family Peace Center program, including program development and delivery, leadership, and supervision of supervisory and administrative staff. In the past, Dr. Vorsino served as a Forensic Psychologist, Performance Manager, Program Monitoring Supervisor, and Program Monitor for the Child and Adolescent Mental Health Division of the Department of Health. Dr. Vorsino has also served on the State Council on Mental Health since 2013. In her personal statement, Dr. Vorsino indicated that she believes she possesses the skills and knowledge to continue to actively participate in the strategic initiatives that the State Council on Mental Health has developed and is aware of the issues that are relevant to adult and child consumers of mental health services in Hawaii. Your Committee further finds that Dr. Vorsino's passion for serving the community, as well as her experience in child and adolescent mental health issues, will continue to be great assets to the State Council on Mental Health.

As affirmed by the records of votes of the members of your Committee on Commerce, Consumer Protection, and 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 (Ihara, Kidani, Slom).

SCRep. 3717 Judiciary and Labor on Gov. Msg. Nos. 802 and 867

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. 802 ALAN BURDICK, for a term to expire 06-30-2020; and

G.M. No. 867 SUNNY LEE, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Alan Burdick and Sunny Lee to possess the requisite qualifications to be nominated to the Board of Registration of the Island of O'ahu.

ALAN BURDICK

Your Committee received testimony in support of the nomination for the reappointment of Alan Burdick from the Office of Elections and one individual.

Mr. Burdick is licensed to practice law in Hawaii, California, and Massachusetts and has federal court admissions in Hawaii, the Ninth Circuit, and the United States Supreme Court. He currently serves as a staff attorney for the Hawaii State House of Representatives Judiciary Committee. He previously served as an Administrator for Research, Planning, and Resource Development in the Office of Community Services of the Department of Labor and Industrial Relations where he was responsible for helping to assure quality, compliance, and integrity of state and federal programs administered by the Office of Community Services and for the development of new programs. He has extensive legal experience as a sole practitioner and has previously served as an Associate Attorney and Of Counsel with various law firms in Hawaii. His legal experience includes complex civil litigation, insurance coverage work for insured persons and entities, and personal injury litigation.

Mr. Burdick's legal accomplishments include published work relating to the Constitution of the Federated States of Micronesia as well as Hawaii motor vehicle insurance law and insurance considerations in Hawaii personal injury litigation. He has served as an Adjunct Professor at the William S. Richardson School of Law at the University of Hawaii at Manoa where he taught courses on the Pacific Island legal systems with a focus on conflicts between custom and modern law, land tenure, human rights issues, state formation and disintegration, and economic development and resource issues.

Mr. Burdick served as a member on the Board of Registration of the Island of O'ahu for the 2012 primary and general elections and as the Chairperson for the 2014 primary and general elections. Written testimony indicates that he is a committed and hardworking member who understands his role and responsibilities and strives to achieve the Board's mission.

SUNNY LEE

Your Committee received testimony in support of the nomination for the appointment of Sunny Lee from the Office of Elections.

Mr. Lee is licensed to practice law in Hawaii and Washington. He currently is a Partner at Bronster Fujichaku Robbins where his practice areas include business disputes and litigation, complex commercial litigation, insurance litigation, real estate litigation, surety litigation, and trust and estate litigation. Prior to joining Bronster Fujichaku Robbins, he served as Corporate In-House Counsel for Island Title Corporation and an Associate Attorney for Bays Lung Rose & Holma (formerly Bays Deaver Lung Rose & Holma).

Mr. Lee previously served as a Big Brother in Big Brother Big Sisters of Honolulu and serves on the Board of Directors for the Korean American Bar Association Hawaii and Friends of the Hawaii Judiciary History Center.

Mr. Lee indicates in his written statement that he has experience appearing before other administrative boards as an attorney representing clients and has the knowledge of administrative board procedures. Written testimony indicates that his legal background and experience and willingness to serve make him a qualified nominee to serve on the Board of Registration of the Island of O'ahu.

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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3718 Judiciary and Labor on Gov. Msg. No. 846

Recommending that the Senate advise and consent to the nomination of the following:

HOISTING MACHINE OPERATORS ADVISORY BOARD

G.M. No. 846 RICHARD LENTES, III, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Richard Lentes, III, to possess the requisite qualifications to be nominated to the Hoisting Machine Operators Advisory Board.

Your Committee received testimony in support of the nomination for the appointment of Richard Lentes, III, from General Contractors Association of Hawaii and Nordic PCL Construction, Inc.

Your Committee finds that Mr. Lentes, a Certified Crane Inspector, has extensive occupational safety and health experience. Mr. Lentes is currently the statewide Safety Manager for Hawthorne CAT and is responsible for the company's crane policy, health and safety training, and implementation of company guidelines. As a Certified Crane Inspector, his expertise includes the operation, maintenance, and safety of crane and other hoisting machinery. Prior to joining Hawthorne CAT, he served as a Safety Manager and Operations Assistant Manager for Kukui Plaza. As Safety Manager, he was responsible for overseeing the overhead crane safety for lifting equipment to the garden deck of the condominium and the safety of all company personnel, including inspections, training, compliance, and investigations. Mr. Lentes currently serves as a member of the Hoisting Machine Operators Advisory Board. Your Committee further finds that Mr. Lentes' experience as a current member of the Hoisting Machine Operators Advisory Board, as well as his practical knowledge, will continue to be assets 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, 4. Noes, none. Excused, 3 (Gabbard, Shimabukuro, Slom).

SCRep. 3719 Judiciary and Labor on Gov. Msg. Nos. 847 and 848

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF REGISTRATION OF THE ISLANDS OF KAUA'I AND NI'HAU

G.M. No. 847 CARL WRIGHT, for a term to expire 06-30-2019; and

G.M. No. 848 ROSE KURITA, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Carl Wright and Rose Kurita to possess the requisite qualifications to be nominated to the Board of Registration of the Islands of Kaua'i and Ni'ihau.

CARL WRIGHT

Your Committee received testimony in support of the nomination for the appointment of Carl Wright from the Office of Elections.

Mr. Wright currently serves as an independent software contractor for Visx Inc. His work focuses on creating desktop hardware emulation software for the development of Visx Refractive Surgery Instruments, and developing machine control software, SQL database and support mechanisms, and user interface and calibration software. He previously served as a Software Engineer for various companies, including Molecular Devices Inc., Sunrise Technologies, Amdahl Corporation, and International Bioaccess Systems Corp.

Mr. Wright has extensive community service involvement, including serving as President of Kilauea Farms Community Association, President of Moloa'a Valley Homeowners Association, and President of Apollo Kauai. He has also served as a member for the State Central Committee of the Democratic Party of Hawaii and Executive Committee of the Democratic Party of Kauai.

Mr. Wright indicated in his statement that he is a strong proponent of the right to vote and believes that the voter registration and voting processes should be honest, fair, and transparent. His community involvement and willingness to serve on the Board of Registration of the Islands of Kaua'i and Ni'ihau make him a qualified nominee.

ROSE KURITA

Your Committee received testimony in support of the nomination for the reappointment of Rose Kurita from the Office of Elections.

Prior to her retirement in 1994, Ms. Kurita served as the Secretary to the Dean of Instruction at Kauai Community College where her main responsibilities included providing various clerical services and supervising the student helpers and clerical workers in the office. She also previously served as an office worker and travel agent for A-Plus Travel where she handled clients and sold airline tickets for local and international destinations. She also currently serves as a musician and certified piano teacher for various organizations, including Casa di Michi.

Ms. Kurita has extensive community service involvement, including serving as an Event and Program Coordinator for Kauai's Lokahi Giving Project, a Coordinator for the Salvation Army Thanksgiving Luncheon, a Historian for Family and Community Education, and a member of the Musician's Union. She has also served as a judge for various local pageants and talent competitions, a board member of the YWCA, and a contributing board member on her condominium association.

Ms. Kurita served as a Member of the Board of Registration of the Islands of Kaua'i and Ni'ihau during the 2012 Primary and General Elections and the 2014 Primary Election. She also served as the Board's Chairperson in the 2014 General Election. Her previous experience and willingness to continue to serve on the Board make her a qualified nominee.

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, 5. Noes, none. Excused, 2 (Thielen, Slom).

SCRep. 3720 Ways and Means on Gov. Msg. No. 877

Recommending that the Senate advise and consent to the nomination of the following:

TAX REVIEW COMMISSION

G.M. No. 877 RAY BLOUIN, for a term to expire 06-30-2019 (Date of expiration removed by GM890)

Your Committee reviewed the personal statement and resume submitted by Ray Blouin and finds that the nominee has the necessary qualifications to serve on the Tax Review Commission.

Your Committee received testimony in support of the nomination of Ray Blouin from the Department of Taxation.

Mr. Blouin received a Bachelor of Arts degree in Business Administration from Chicago State University, and he is currently the General Manager of Hilton Garden Inn Kauai Wailua Bay. Mr. Blouin previously served as the General Manager of Aston Aloha Beach Hotel from 2008 to 2016, Aston Kauai Beach at Makaiwa from 2007 to 2009, Hanalei Bay Resort from 1999 to 2007, Lae Nani Resort from 1995 to 1999, and Waimea Plantation Cottages from 1986 to 1999. With over thirty-five years of experience in the hospitality industry, Mr. Blouin has been responsible for the management of resort budgets, revenues, expenses, training, performance evaluations, staff relations, construction, and ownership transitions.

Mr. Blouin is also active in his community, contributing extensive service to the Mayor's Crime Task Force in the County of Kauai; Kauai Visitors Bureau; Hawaii Employer's Council; Hawaii Hotel & Lodging Association; Royal Coconut Coast Association; Kauai Business Council; Kawaikini New Century Public Charter School; West Kauai Rotary Club; and other organizations. Your Committee believes that Mr. Blouin's extensive experience in the hospitality industry will be beneficial to the commission in conducting a systematic review of the State's tax structure.

As 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, 7; Ayes with Reservations (Chun Oakland, Dela Cruz, English, Galuteria, Harimoto, Tokuda). Noes, none. Excused, 4 (Riviere, Taniguchi, Wakai, Slom).

SCRep. 3721 Ways and Means on Gov. Msg. No. 871

Recommending that the Senate advise and consent to the nomination of the following:

TAX REVIEW COMMISSION

G.M. No. 871 MICHELLE NALANI FUJIMORI KAINA, for a term to expire 06-30-2019 (Date of expiration removed by GM890)

Your Committee reviewed the personal statement and resume submitted by Michelle Nalani Fujimori Kaina and finds that the nominee has the necessary qualifications to serve on the Tax Review Commission.

Your Committee received testimony in support of the nomination of Michelle Nalani Fujimori Kaina from the Department of Taxation, Hawaii Alliance of Nonprofit Organizations, Hawaii Community Foundation, and two individuals.

Ms. Fujimori Kaina received a Juris Doctor degree from New York University School of Law and a Bachelor of Arts degree from Macalester College in St. Paul, Minnesota. Ms. Fujimori Kaina joined the Legal Aid Society of Hawaii as a staff attorney in 1999, served as the organization's Deputy Director from 2004 to 2009, and currently serves as its Executive Director.

Ms. Kaina is active in the community and serves as the Chair of Hawaii State Advisory Council of the United States Commission on Civil Rights; the Secretary of Rural Community Assistance Corporation; and in other leadership roles. She previously served as Director and President of Hawaii Women Lawyers; a member of the Litigation Committee of the American Civil Liberties Union; Director and Chair of Envision Hawaii; Director of the Maui County Bar Association; Director of Molokai Occupational Center; and Director of Hale Hookupaa Outpatient Residential Treatment Center.

Your Committee believes that Ms. Kaina's extensive legal expertise and experience leading nonprofit organizations throughout the State will be beneficial to the Commission in conducting a systematic review of the State's tax structure.

As 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, 7. Noes, none. Excused, 4 (Riviere, Taniguchi, Wakai, Slom).

SCRep. 3722 Ways and Means on Gov. Msg. No. 872

Recommending that the Senate advise and consent to the nomination of the following:

TAX REVIEW COMMISSION

GM. No. 872 WILLIAM PIEPER II, for a term to expire 06-30-2019 (Date of expiration removed by GM890)

Your Committee reviewed the personal statement and resume submitted by William Pieper II and finds that the nominee has the necessary qualifications to serve on the Tax Review Commission.

Your Committee received testimony in support of the nomination of William Pieper II from the Department of Taxation.

Mr. Pieper received a Master of Business Administration degree from the University of Hawaii at Manoa and a Bachelor of Arts degree in Sociology from the University of California at Los Angeles. Mr. Pieper is the Vice President of Airline Co-Brands at Barclay's Bank, and is responsible for managing operations and overseeing all marketing channels for the Hawaiian Airlines Bank of Hawaii credit card program. Before joining Barclay's Bank, he was the Vice President of Business Development at Makai Ocean Engineering. Mr. Pieper also held various executive positions during his four years at Bank of Hawaii.

Mr. Pieper is active in the financial community and is a certified financial planner, chartered financial consultant, financial services specialist, and a life underwriter training council fellow. He also serves as a finance instructor at the University of Hawaii at Manoa.

As a leader in Hawaii's financial sector, he will provide an important perspective on business operations and finance. Your Committee believes that Mr. Pieper's extensive financial experience will be beneficial to the Commission in conducting a systematic review of the State's tax structure.

As 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, 7; Ayes with Reservations (Chun Oakland, Dela Cruz, English, Galuteria, Harimoto, Tokuda). Noes, none. Excused, 4 (Riviere, Taniguchi, Wakai, Slom).

SCRep. 3723 Ways and Means on Gov. Msg. No. 873

Recommending that the Senate advise and consent to the nomination of the following:

TAX REVIEW COMMISSION

GM. No. 873 DAWN LIPPERT, for a term to expire 06-30-2019 (Date of expiration removed by GM890)

Your Committee reviewed the personal statement and resume submitted by Dawn Lippert and finds that the nominee has the necessary qualifications to serve on the Tax Review Commission.

Your Committee received testimony in support of the nomination of Dawn Lippert from the Department of Taxation.

Ms. Lippert received a Master's degree in Environmental Management and a Bachelor of Arts degree in Environmental Studies from Yale University. Ms. Lippert is the co-founder and the Director of Energy Excelerator. She previously served as a senior consultant with Booz Allen Hamilton in the Washington D.C. area, where she drafted legislation; developed strategies, implementation plans, and energy models; and performed financial analysis for the Hawaii Clean Energy Initiative.

Ms. Lippert is active in the community as the Chair of Hawaii Clean Energy Initiative Advisory Board and as the founder of Women in Renewable Energy. She also serves on the boards of the Department of Education's Clean Energy Incubator Network, the University of Hawaii's Pacific Asian Center for Entrepreneurship, the Entrepreneur's Foundation of Hawaii, and YWCA of Oahu.

Your Committee believes that Ms. Lippert's extensive business and consulting experience will be beneficial to the Commission in conducting a systematic review of the State's tax structure.

As affirmed by the records of votes of the members of your Committee on Ways and Means that are 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; Ayes with Reservations (Chun Oakland, Dela Cruz, English, Galuteria, Harimoto, Tokuda). Noes, none. Excused, 4 (Riviere, Taniguchi, Wakai, Slom).

SCRep. 3724 Ways and Means on Gov. Msg. No. 875

Recommending that the Senate advise and consent to the nomination of the following:

TAX REVIEW COMMISSION

G.M. No. 875 COLLEEN TAKAMURA, for a term to expire 06-30-2019 (Date of expiration removed by GM890)

Your Committee reviewed the personal statement and resume submitted by Colleen Takamura and finds that the nominee has the necessary qualifications to serve on the Tax Review Commission.

Your Committee received testimony in support of the nomination of Colleen Takamura from the Department of Taxation; Hawaii Association of Public Accountants, Niwao & Roberts, CPAs, a Professional Corporation; Pacific Pile & Crane, Inc.; and four individuals.

Ms. Takamura received a Master's degree in Accounting from Ohio State University and a Bachelor of Science degree in Accounting from the University of Denver. She is a Certified Public Accountant with over twenty-seven years of public and private accounting experience. For the past twenty years, she has been a manager and a supervisor of staff at Niwao & Roberts, which handles individual, business, fiduciary, estate, and nonprofit tax returns, as well as audits, reviews, and other accounting matters.

Ms. Takamura is a member of the Hawaii Association of Public Accountants and is the President of its Maui Chapter. She is also active in the community and has served as the Treasurer of the Baldwin High School 2014 Project Graduation, Treasurer of the Maui Okinawa Kenjiin Kai, a financial assistant for the Baldwin High School girls' softball team, and an assistant for various Maui girls' softball teams.

Your Committee believes that Ms. Takamura's extensive experience will be beneficial to the Commission in conducting a systematic review of the State's tax structure. As one who is highly regarded in her profession, she will bring to the Commission ideas for improving efficiency and equity in Hawaii's tax 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, 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, 4 (Riviere, Taniguchi, Wakai, Slom).

SCRep. 3725 Ways and Means on Gov. Msg. No. 874

Recommending that the Senate advise and consent to the nomination of the following:

TAX REVIEW COMMISSION

G.M. No. 874 VAUGHN COOK, for a term to expire 06-30-2019

Your Committee reviewed the personal statement and resume submitted by Vaughn Cook for service on the Tax Review Commission.

Your Committee received testimony in support of the nomination of Vaughn Cook from the Department of Taxation; Representative Clift Tsuji; Hawaii Island Chamber of Commerce; Niwao & Roberts, Certified Public Accountants; and five individuals.

Upon review of the testimony and other information received, your Committee finds that the nominee is a qualified candidate to serve on the Tax Review Commission. Your Committee notes that Mr. Cook received a Master of Laws degree in Taxation from the University of Washington School of Law, a Juris Doctor degree from the University of Utah College of Law, and a Bachelor of Science degree in Accounting from Santa Clara University. Mr. Cook is a director at the Hawaii Island office of the law firm of Torkildson, Katz, Moore, Hetherington, and Harris. His practice includes taxation law, general business and commercial law, immigration, and administrative licensing law statewide. Prior to joining the law firm, Mr. Cook was a tax manager in the Seattle office of the accounting firm of Deloitte & Touche, where he represented high net-worth individuals, closely-held businesses, and multinational corporations.

Mr. Cook is a certified public accountant, licensed in the State of Hawaii. Mr. Cook is a member of professional organizations that include the Hawaii State Bar Association, Washington State Bar Association, Hawaii Society of Certified Public Accountants, and Hawaii Association of Public Accountants. Mr. Cook has previously served as President of the Hawaii County Bar Association and President of the Hawaii Island Chamber of Commerce. Mr. Cook currently serves as Treasurer of the Hawaii Shima Fukuoka Kenjinkai and a director of VASH Hawaii Island. Your Committee believes that Mr. Cook would be an effective and competent member of the Tax Review 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, 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, 4 (Galuteria, Harimoto, Taniguchi, Slom).

SCRep. 3726 Ways and Means on Gov. Msg. No. 876

Recommending that the Senate advise and consent to the nomination of the following:

TAX REVIEW COMMISSION

GM. No. 876 JOHN KNOX, for a term to expire 06-30-2019

Your Committee reviewed the personal statement and resume submitted by John Knox for service on the Tax Review Commission.

Your Committee received testimony in support of the nomination of John Knox from the Department of Taxation and five individuals.

Upon review of the testimony and other information received, your Committee finds that the nominee is a qualified candidate to serve on the Tax Review Commission. Your Committee notes that Dr. Knox received a Doctor of Philosophy degree in Psychology from the University of Hawaii, a Master of Arts degree in Social Psychology from the University of Hawaii, and a Bachelor of Arts degree in Speech from the University of Michigan. Dr. Knox has over thirty-five years of experience in social, economic, and community research. His work has involved public policy research and issues related to economic and land use development.

Dr. Knox is a member of several professional and community service organizations that include the Hawaii Economic Association, Urban Land Institute, Hawaii Council for Economic Education, Lambda Alpha International, Hawaii-Pacific Evaluation Association, and American Planning Association. Dr. Knox also served as writer/researcher for the Tax Review Commission during 2012-2013. Your Committee believes that Dr. Knox would be an effective and competent member of the Tax Review 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, 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, 4 (Galuteria, Harimoto, Taniguchi, Slom).

SCRep. 3727 Water, Land, and Agriculture on S.R. No. 46

The purpose and intent of this measure is to urge the President of the United States to deny any request to expand the Papahānaumokuākea Marine National Monument and oppose any action to expand the monument.

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 request the Department of Land and Natural Resources to engage in earnest negotiations with the current land owners of the makai lands of Kapua to acquire those lands on behalf of the State or to lease those lands in perpetuity on behalf of the State.

Your Committee received testimony in support of the proposed S.D. 1 from the Department of Land and Natural Resources, The Trust for Public Land, and two individuals. Your Committee received testimony in opposition to the proposed S.D. 1 from two individuals.

Your Committee finds that the makai lands of Kapua in south Kona on the island of Hawaii are a sparsely populated scenic wonder with breathtaking shoreline views. The lands comprise at least 6,000 privately owned acres in south Kona that are classified as agricultural or conservation land and contain significant historical, archaeological, and cultural resources, including a hōlua slide, ancient coastal trail, village sites, and superb biological resources including native dryland forests and Native Hawaiian plants. Your Committee further finds that the State should seek to acquire the makai lands of Kapua in the interests of preserving the area's pristine condition for future generations while ensuring the preservation of agricultural and conservation lands in the area.

Your Committee notes that the late Senator Gilbert Kahele supported the State's purchase of the Kapua makai lands. One of his last actions as a state legislator was to sign S.B. No. 3071 for introduction during the Regular Session of 2016. S.B. No. 3071 would have required the Department of Land and Natural Resources to engage in negotiations to acquire the Kapua makai lands; however, the measure did not pass out of Conference Committee. This proposed S.D. 1, which was authored by Senator Kaiali'i Kahele, is intended to accomplish the goals of S.B. No. 3071.

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, Land, and Agriculture that is attached to this report, your Committee concurs with the intent and purpose of S.R. No. 46, as amended herein, and recommends its adoption in the form attached hereto as S.R. No. 46, S.D. 1.

Signed by the Chair on behalf of the Committee.

Ayes, 6. Noes, none. Excused, 3 (Ruderman, Thielen, Slom).