

JOURNAL
of the
SENATE OF THE
TWENTY - NINTH LEGISLATURE
of the
STATE OF HAWAI‘I

Special Session of 2017

Convened Monday, August 28, 2017
Adjourned Friday, September 1, 2017

CERTIFICATE

We hereby certify that the minutes for each day's session as appears in this Senate Journal are true and correct and that a copy is on file in the Archives of the State of Hawai'i.



President of the Senate



Clerk of the Senate

OFFICERS OF THE SENATE

President

HONORABLE RONALD D. KOUCHIWaimea, Hawai'i

Vice President

HONORABLE MICHELLE N. KIDANI..... Mililani, Hawai'i

Clerk

CAROL T. TANIGUCHIHonolulu, Hawai'i

Assistant Clerk

JENNIFER T. CHOWHonolulu, Hawai'i

Sergeant-at-Arms

BIENVENIDO C. VILLAFLOR..... Honolulu, Hawai'i

Assistant Sergeant-at-Arms

C. M. PARK KALEIWAHEA.....Honolulu, Hawai'i

LIST OF MEMBERS
of the
SENATE OF THE TWENTY-NINTH LEGISLATURE
of the
STATE OF HAWAI‘I

DISTRICT NO.	NAME	DISTRICT
First	KAHELE, KAIALI‘I (D)	Hilo
Second	RUDERMAN, RUSSELL E. (D)	Puna, Ka‘ū
Third	GREEN, JOSH (D)	Kona, Ka‘ū
Fourth	INOUYE, LORRAINE R. (D)	Hilo, Hāmākua, Kohala, Waimea, Waikoloa, Kona
Fifth	KEITH-AGARAN, GILBERT S.C. (D)	Wailuku, Waihe‘e, Kahului
Sixth	BAKER, ROSALYN H. (D)	South and West Maui
Seventh	ENGLISH, J. KALANI (D)	Hāna, East and Upcountry Maui, Moloka‘i, Lāna‘i, Kaho‘olawe
Eighth	KOUCHI, RONALD D. (D)	Kaua‘i, Ni‘ihau

DISTRICT NO.	NAME	DISTRICT
Ninth	CHANG, STANLEY (D)	Hawai'i Kai, Kuli'ou'ou, Niu, 'Āina Haina, Wai'alaie-Kāhala, Diamond Head
Tenth	IHARA, JR., LES (D)	Kaimukī, Kapahulu, Pālolo, St. Louis Heights, Maunalani Heights, Mō'ili'ili, Ala Wai
Eleventh	TANIGUCHI, BRIAN T. (D)	Mānoa, Makiki, Punchbowl, Papakōlea
Twelfth	GALUTERIA, BRICKWOOD (D)	Waikīkī, Ala Moana, Kaka'ako, McCully, Mō'ili'ili
Thirteenth	RHOADS, KARL (D)	Dowsett Highlands, Pu'unui, Nu'uaniu, Pacific Heights, Pauoa, Punchbowl, Pālama, Liliha, Iwilei, Chinatown, and Downtown
Fourteenth	KIM, DONNA MERCADO (D)	Kapālama, 'Ālewa, Kalihi Valley, Ft. Shafter, Moanalua Gardens & Valley, portions of Hālawā and 'Aiea
Fifteenth	WAKAI, GLENN (D)	Kalihi, Māpunapuna, Airport, Salt Lake, Āliamanu, Foster Village, Hickam, Pearl Harbor
Sixteenth	HARIMOTO, BREENE (D)	Pearl City, Momilani, Pearlridge, 'Aiea, Royal Summit, 'Aiea Heights, Newtown, Waimalu, Hālawā, Pearl Harbor

DISTRICT NO.	NAME	DISTRICT
Seventeenth	NISHIHARA, CLARENCE K. (D)	Waipahu, Crestview, Mānana, Pearl City, Pacific Palisades
Eighteenth	KIDANI, MICHELLE N. (D)	Mililani Town, portion of Waipi'o Gentry, Waikele, Village Park, Royal Kunia
Nineteenth	ESPERO, WILL (D)	‘Ewa Beach, Ocean Pointe, ‘Ewa by Gentry, Iroquois Point, portion of ‘Ewa Villages
Twentieth	GABBARD, MIKE (D)	Kapolei, Makakilo, and portions of ‘Ewa, Kalaeloa, and Waipahu
Twenty-First	SHIMABUKURO, MAILE S.L. (D)	Kalaeloa, Honokai Hale, Ko ‘Olina, Nānākuli, Mā‘ili, Wai‘anae, Mākaha, Mākua
Twenty-Second	DELA CRUZ, DONOVAN M. (D)	Mililani Mauka, Waipi'o Acres, Wheeler, Wahiawā, Whitmore Village, portion of Poamoho
Twenty-Third	RIVIERE, GIL (D)	Kāne‘ohe, Ka‘a‘awa, Hau‘ula, Lā‘ie, Kahuku, Waialua, Hale‘iwa, Wahiawā, Schofield Barracks, Kunia
Twenty-Fourth	TOKUDA, JILL N. (D)	Kāne‘ohe, Kāne‘ohe MCAB, Kailua, He‘eia, ‘Āhuimanu
Twenty-Fifth	THIELEN, LAURA H. (D)	Kailua, Lanikai, Enchanted Lake, Keolu Hills, Maunawili, Waimānalo, Hawai‘i Kai, Portlock

STANDING COMMITTEES

AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair
Senator Gil Riviere, Vice Chair

Senator Clarence K. Nishihara
Senator Senator Karl Rhoads

Senator Russell E. Ruderman

COMMERCE, CONSUMER PROTECTION, AND HEALTH

Senator Rosalyn H. Baker, Chair
Senator Jill N. Tokuda, Vice Chair

Senator Stanley Chang
Senator Will Espero
Senator Les Ihara, Jr.

Senator Clarence K. Nishihara
Senator Russell E. Ruderman

ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

Senator Glenn Wakai, Chair
Senator Brian T. Taniguchi, Vice Chair

Senator Rosalyn H. Baker
Senator Brickwood Galuteria

Senator Laura H. Thielen

EDUCATION

Senator Michelle N. Kidani, Chair
Senator Kaiali'i Kahele, Vice Chair

Senator Donovan M. Dela Cruz
Senator Will Espero

Senator Donna Mercado Kim

GOVERNMENT OPERATIONS

Senator Donna Mercado Kim, Chair
Senator Russell E. Ruderman, Vice Chair

Senator Brickwood Galuteria
Senator Gilbert S.C. Keith-Agaran

Senator Karl Rhoads

HAWAIIAN AFFAIRS

Senator Maile S.L. Shimabukuro, Chair
Senator Brickwood Galuteria, Vice Chair

Senator J. Kalani English
Senator Josh Green

Senator Gil Riviere

HIGHER EDUCATION

Senator Kaiali'i Kahele, Chair
Senator Donna Mercado Kim, Vice Chair

Senator Stanley Chang
Senator Gilbert S.C. Keith-Agaran

Senator Michelle N. Kidani

HOUSING

Senator Will Espero, Chair
Senator Breene Harimoto, Vice Chair

Senator Josh Green
Senator Kaiali'i Kahele

Senator Clarence K. Nishihara

HUMAN SERVICES

Senator Josh Green, Chair
Senator Stanley Chang, Vice Chair

Senator Breene Harimoto
Senator Jill N. Tokuda

Senator Glenn Wakai

JUDICIARY

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Senator Karl Rhoads, Vice Chair

Senator Mike Gabbard
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Senator Laura H. Thielen

LABOR

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Senator J. Kalani English, Vice Chair

Senator Stanley Chang
Senator Les Ihara, Jr.

Senator Brian T. Taniguchi

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Senator Glenn Wakai, Vice Chair

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Senator Les Ihara, Jr.

Senator Laura H. Thielen

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Senator Lorraine R. Inouye, Chair
Senator Will Espero, Vice Chair

Senator J. Kalani English
Senator Breene Harimoto

Senator Maile S.L. Shimabukuro

WATER AND LAND

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

Senator Lorraine R. Inouye
Senator Gil Riviere

Senator Laura H. Thielen

WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

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Senator Brickwood Galuteria
Senator Breene Harimoto
Senator Lorraine R. Inouye
Senator Kaiali'i Kahele

Senator Michelle N. Kidani
Senator Gil Riviere
Senator Maile S.L. Shimabukuro
Senator Glenn Wakai

**MEMBERS OF THE SENATE
TWENTY - NINTH LEGISLATURE
STATE OF HAWAI'I
SPECIAL SESSION OF 2017**



RONALD D. KOUCHI
8th Senatorial District
President



MICHELLE N. KIDANI
18th Senatorial District
Vice President
Chair: Education



J. KALANI ENGLISH
7th Senatorial District
Majority Leader



WILL ESPERO
19th Senatorial District
Majority Floor Leader
Chair: Housing



BRICKWOOD GALUTERIA
12th Senatorial District
Majority Caucus Leader



KAIALI'I KAHELE
1st Senatorial District
Majority Whip
Chair: Higher Education



GILBERT S.C. KEITH-AGARAN
5th Senatorial District
Assistant Majority Whip



ROSALYN H. BAKER
6th Senatorial District
Chair: Commerce,
Consumer Protection, and Health



STANLEY CHANG
9th Senatorial District



DONOVAN M. DELA CRUZ
22nd Senatorial District
Chair: Ways and Means



MIKE GABBARD
20th Senatorial District
Chair: Agriculture and Environment



JOSH GREEN
3rd Senatorial District
Chair: Human Services



BREENE HARIMOTO
16th Senatorial District



LES IHARA, JR.
10th Senatorial District



LORRAINE R. INOUE
4th Senatorial District
Chair: Transportation and Energy



DONNA MERCADO KIM
14th Senatorial District
Chair: Government Operations



CLARENCE K. NISHIHARA
17th Senatorial District
Chair: Public Safety,
Intergovernmental, and
Military Affairs



KARL RHOADS
13th Senatorial District
Chair: Water and Land



GIL RIVIERE
23rd Senatorial District



RUSSELL E. RUDERMAN
2nd Senatorial District



MAILE S.L. SHIMABUKURO
21st Senatorial District
Chair: Hawaiian Affairs



BRIAN T. TANIGUCHI
11th Senatorial District
Chair: Judiciary



LAURA H. THIELEN
25th Senatorial District



JILL N. TOKUDA
24th Senatorial District
Chair: Labor



GLENN WAKAI
15th Senatorial District
Chair: Economic Development,
Tourism, and Technology



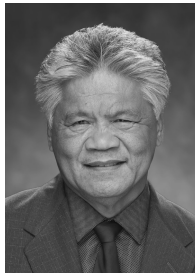
CAROL T. TANIGUCHI
Clerk



JENNIFER T. CHOW
Assistant Clerk



C. M. PARK KALEIWAHEA
Assistant Sergeant-at-Arms



BIENVENIDO C. VILLAFIOR
Sergeant-at-Arms

TABLE OF CONTENTS

	PAGE
First Day, Monday, August 28, 2017	1
Second Day, Tuesday, August 29, 2017	5
Third Day, Wednesday, August 30, 2017	10
Fourth Day, Thursday, August 31, 2017	39
Fifth Day, Friday, September 1, 2017	43
 Communications received after adjournment:	
Governor’s Messages	51
House Communications	52
 Appendix:	
Rules of the Senate	53
Standing Committee Reports	72
 History:	
Senate Bills	94
Senate Resolutions	95

THE
 TWENTY-NINTH LEGISLATURE
 STATE OF HAWAII
 SPECIAL SESSION OF 2017
 JOURNAL OF THE SENATE

FIRST DAY

Monday, August 28, 2017

The Senate of the Twenty-Ninth Legislature of the State of Hawai‘i, Special Session of 2017, was called to order at 10:01 a.m., by Senator Ronald D. Kouchi, President of the Senate, in accordance with the following Proclamation:

“August 24, 2017

PROCLAMATION

I, Ronald D. Kouchi, President of the Senate of the Twenty-ninth Legislature of the State of Hawaii, and I, Scott K. Saiki, Speaker of the House of Representatives, of the Twenty-ninth Legislature of the State of Hawaii, pursuant to the power vested in Article III, section 10 of the Hawaii State Constitution, and at the written request of two-thirds of the members to which each house is entitled, do hereby convene the Legislature in special session at 10:00 a.m. on Monday, August 28, 2017, in the chambers of the Hawaii State Capitol, as sought in the petition, for the purpose of considering legislation and to provide each chamber with an opportunity to discharge any further business if necessary.

/s/ Ronald D. Kouchi
 Ronald D. Kouchi
 President of the Senate

/s/ Scott K. Saiki
 Scott K. Saiki
 Speaker of the House of
 Representatives”

The Roll was called showing all Senators present with the exception of Senators Green, Ruderman, and Taniguchi who were excused.

At this time, Senator Wakai introduced Senator Shelten G. Neth, Chairman of the Health and Social Services Committee, Ponhpei Legislature, who was present in the gallery.

SENATE RESOLUTION

The following resolution (S.R. No. 1) was read by the Clerk and was disposed of as follows:

S.R. No. 1 “SENATE RESOLUTION AMENDING RULE 16 OF THE RULES OF THE SENATE OF THE TWENTY-NINTH LEGISLATURE OF THE STATE OF HAWAII.”

Offered by: Senator English.

On motion by Senator Espero, seconded by Senator English, S.R. No. 1 was adopted.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 1 to 57 and 101) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 1, submitting for consideration and confirmation to the Endangered Species Recovery Committee, the nomination of LISA SPAIN, term to expire June 30, 2021, was referred to the Committee on Agriculture and Environment.

Gov. Msg. No. 2, submitting for consideration and confirmation to the Endangered Species Recovery Committee, the nomination of LOYAL MEHRHOFF, term to expire June 30, 2019, was referred to the Committee on Agriculture and Environment.

Gov. Msg. No. 3, submitting for consideration and confirmation to the Public Utilities Commission, the nomination of JAMES GRIFFIN, term to expire June 30, 2022, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 4, submitting for consideration and confirmation to the State Board of Nursing, the nomination of KAREN BOYER, term to expire June 30, 2018, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 5, submitting for consideration and confirmation to the Board of Certification of Operating Personnel in Wastewater Treatment Plants, the nomination of RONALD HAY, term to expire June 30, 2020, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 6, submitting for consideration and confirmation to the Disability and Communication Access Board, the nomination of MARIE KIMMEY, term to expire June 30, 2021, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 7, submitting for consideration and confirmation to the Disability and Communication Access Board, the nomination of SCOTT FLEMING, term to expire June 30, 2019, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 8, submitting for consideration and confirmation to the Emergency Medical Services Advisory Committee, the nomination of BRENT ROBINSON, term to expire June 30, 2020, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 9, submitting for consideration and confirmation to the Policy Advisory Board for Elder Affairs, the nomination of JOY MIYASAKI, term to expire June 30, 2021, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 10, submitting for consideration and confirmation to the Policy Advisory Board for Elder Affairs, the nomination of SARAH YUAN, term to expire June 30, 2021, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 11, submitting for consideration and confirmation to the Policy Advisory Board for Elder Affairs, the nomination of SUZANNE SCHULBERG, term to expire June 30, 2021, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 12, submitting for consideration and confirmation to the State Council on Mental Health, the nomination of LOUISE CRUM, term to expire June 30, 2020, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 13, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nomination of JILL MIYAMURA, term to expire June 30, 2021, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 14, submitting for consideration and confirmation to the Enhanced 911 Board, the nomination of ROBERT GAUSEPOHL, term to expire June 30, 2020, was referred to the Committee on Government Operations.

Gov. Msg. No. 15, submitting for consideration and confirmation to the Commission on Fatherhood, the nomination of DAVID MATTOS, term to expire June 30, 2020, was referred to the Committee on Human Services.

Gov. Msg. No. 16, submitting for consideration and confirmation to the Board of Directors of the Hawai'i Housing Finance and Development Corporation, the nomination of DONN MENDE, term to expire June 30, 2021, was referred to the Committee on Housing.

Gov. Msg. No. 17, submitting for consideration and confirmation to the Hawai'i Medical Education Council, the nomination of SHARON VITOUSEK, term to expire June 30, 2021, was referred to the Committee on Higher Education.

Gov. Msg. No. 18, submitting for consideration and confirmation to the Board of Registration of the Island of Hawai'i, the nomination of SHAWN MERRILL, term to expire June 30, 2019, was referred to the Committee on Judiciary.

Gov. Msg. No. 19, submitting for consideration and confirmation to the State Foundation on Culture and the Arts Commission, the nomination of CLYDE SAKAMOTO, term to expire June 30, 2020, was referred to the Committee on Judiciary.

Gov. Msg. No. 20, submitting for consideration and confirmation to the State Foundation on Culture and the Arts Commission, the nomination of NALANI BRUN, term to expire June 30, 2021, was referred to the Committee on Judiciary.

Gov. Msg. No. 21, submitting for consideration and confirmation to the State Foundation on Culture and the Arts Commission, the nomination of SHERMAN WARNER, term to expire June 30, 2021, was referred to the Committee on Judiciary.

Gov. Msg. No. 22, submitting for consideration and confirmation to the Board of Trustees of the Deferred Compensation Plan, the nomination of BRIAN MOTO, term to expire June 30, 2021, was referred to the Committee on Labor.

Gov. Msg. No. 23, submitting for consideration and confirmation to the Board of Trustees of the Deferred Compensation Plan, the nomination of KENNETH VILLABRILLE, term to expire June 30, 2021, was referred to the Committee on Labor.

Gov. Msg. No. 24, submitting for consideration and confirmation to the Hawai'i Workforce Development Council, the nomination of DWIGHT TAKAMINE, term to expire June 30, 2020, was referred to the Committee on Labor.

Gov. Msg. No. 25, submitting for consideration and confirmation to the Board of Taxation Review, 3rd Taxation District (Hawaii), the nomination of CHRISTOPHER

HANNIGAN, term to expire June 30, 2020, was referred to the Committee on Ways and Means.

Gov. Msg. No. 26, submitting for consideration and confirmation to the Land Use Commission, the nomination of GARY OKUDA, term to expire June 30, 2021, was referred to the Committee on Water and Land.

Gov. Msg. No. 27, submitting for consideration and confirmation to the Land Use Commission, the nomination of LEE OHIGASHI, term to expire June 30, 2020, was referred to the Committee on Water and Land.

Gov. Msg. No. 28, submitting for consideration and confirmation to the Land Use Commission, the nomination of LINDA ESTES, term to expire June 30, 2021, was referred to the Committee on Water and Land.

Gov. Msg. No. 29, submitting for consideration and confirmation to the Land Use Commission, the nomination of NANCY CABRAL, term to expire June 30, 2021, was referred to the Committee on Water and Land.

Gov. Msg. No. 30, submitting for consideration and confirmation to the Kāne'ohe Bay Regional Council, the nomination of CLAYTON HANAGAMI, term to expire June 30, 2021, was referred to the Committee on Water and Land.

Gov. Msg. No. 31, submitting for consideration and confirmation to the Kāne'ohe Bay Regional Council, the nomination of CLIFFORD LOO, term to expire June 30, 2021, was referred to the Committee on Water and Land.

Gov. Msg. No. 32, submitting for consideration and confirmation to the Language Access Advisory Council, the nomination of CARI UESUGI, term to expire June 30, 2020, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 33, submitting for consideration and confirmation to the Civil Rights Commission, the nomination of JOAKIM PETER, term to expire June 30, 2019, was referred to the Committee on Judiciary.

Gov. Msg. No. 34, submitting for consideration and confirmation to the Western Interstate Commission for Higher Education, the nomination of COLLEEN SATHRE, term to expire June 30, 2021, was referred to the Committee on Higher Education.

Gov. Msg. No. 35, submitting for consideration and confirmation to the Board of Regents of the University of Hawai'i, the nomination of DOUGLAS SHINSATO, term to expire June 30, 2018, was referred to the Committee on Higher Education.

Gov. Msg. No. 36, submitting for consideration and confirmation to the Commission on Fatherhood, the nomination of CALEB MILLIKEN, term to expire June 30, 2020, was referred to the Committee on Human Services.

Gov. Msg. No. 37, submitting for consideration and confirmation to the Stadium Authority, the nomination of BRENNON MORIOKA, term to expire June 30, 2021, was referred to the Committee on Economic Development, Tourism, and Technology.

Gov. Msg. No. 38, submitting for consideration and confirmation to the Stadium Authority, the nomination of AUDREY ABE, term to expire June 30, 2021, was referred to the Committee on Economic Development, Tourism, and Technology.

Gov. Msg. No. 39, submitting for consideration and confirmation to the Small Business Regulatory Review Board,

the nomination of REG BAKER, term to expire June 30, 2018, was referred to the Committee on Economic Development, Tourism, and Technology.

Gov. Msg. No. 40, submitting for consideration and confirmation as Deputy to the Chairperson, Department of Land and Natural Resources, the nomination of ROBERT MASUDA, term to expire at noon on December 3, 2018, was referred to the Committee on Water and Land.

Gov. Msg. No. 41, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of KEITH ROBINSON, term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 42, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of WILLIAM KAHOLOAA SR., term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 43, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of RICHARD HOOPII, term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 44, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of LESLIE KULOLOIO, term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 45, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of FRANCES KALUHIWA, term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 46, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of PILANI KAAWALOA, term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 47, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of THOMAS HASHIMOTO, term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 48, submitting for consideration and confirmation to the Aha Moku Advisory Committee, the nomination of WINIFRED BASQUES, term to expire June 30, 2020, was referred to the Committee on Hawaiian Affairs.

Gov. Msg. No. 49, submitting for consideration and confirmation to the State Boxing Commission of Hawaii, the nomination of MICHAEL FREITAS, term to expire June 30, 2020, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 50, submitting for consideration and confirmation to the Policy Advisory Board for Elder Affairs, the nomination of LINDA AXTELL-THOMPSON, term to expire June 30, 2021, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 51, submitting for consideration and confirmation to the Board of Dental Examiners, the nomination of PEARL ARRINGTON, term to expire June 30, 2021, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 52, submitting for consideration and confirmation to the Board of Dental Examiners, the nomination of SHARON TANAKA, term to expire June 30, 2019, was referred to the Committee on Commerce, Consumer Protection, and Health.

Gov. Msg. No. 53, submitting for consideration and confirmation to the Hawai'i Community Development Authority Heeiea District, the nomination of JO-ANN LEONG, term to expire June 30, 2021, was referred to the Committee on Housing.

Gov. Msg. No. 54, submitting for consideration and confirmation to the Hawai'i Community Development Authority Heeiea District, the nomination of DONNA CAMVEL, term to expire June 30, 2018, was referred to the Committee on Housing.

Gov. Msg. No. 55, submitting for consideration and confirmation to the Hawai'i Community Development Authority Kalaeloa District, the nomination of MAEDA TIMSON, term to expire June 30, 2021, was referred to the Committee on Housing.

Gov. Msg. No. 56, submitting for consideration and confirmation to the Hawai'i Community Development Authority Kakaako District, the nomination of PHILLIP HASHA, term to expire June 30, 2021, was referred to the Committee on Housing.

Gov. Msg. No. 57, submitting for consideration and confirmation to the Hawai'i Community Development Authority Kakaako District, the nomination of JASON OKUHAMA, term to expire June 30, 2021, was referred to the Committee on Housing.

Gov. Msg. No. 101, letter dated August 23, 2017, transmitting two drafts of collective bargaining bills to fund agreements with the University of Hawaii Professional Assembly, Unit 7, and the United Public Workers, Units 1 and 10, was placed on file.

INTRODUCTION OF SENATE BILLS

On motion by Senator Espero, seconded by Senator English and carried, the following bills passed First Reading by title and were referred to committee:

S.B. No. 1 "A BILL FOR AN ACT RELATING TO TRANSPORTATION FINANCING."

Introduced by: Senator Kouchi, by request.

Referred to: Committee on Ways and Means

S.B. No. 2 "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT COST ITEMS."

Introduced by: Senator Kouchi, by request.

Referred to: Jointly to the Committee on Labor and the Committee on Ways and Means

S.B. No. 3 "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT."

Introduced by: Senator Kouchi, by request.

Referred to: Jointly to the Committee on Labor and the Committee on Ways and Means

S.B. No. 4 "A BILL FOR AN ACT RELATING TO GOVERNMENT."

Introduced by: Senator Kouchi, by request.

Referred to: Committee on Ways and Means

The Chair then made the following announcement:

"As a reminder to the members, a revised list of Senate leadership and standing committee assignments was distributed to all offices on August 22. The Clerk is directed to place the same in the Journal."

The following list of leadership and standing committees of the Senate and their respective chairs and members was revised on August 22, 2017:

Majority Leader:

J. Kalani English

Majority Caucus Leader:

Brickwood Galuteria

Majority Floor Leader:

Will Espero

Majority Whip:

Kaiali'i Kahele

Assistant Majority Whip:

Gilbert S.C. Keith-Agaran

AGRICULTURE AND ENVIRONMENT

Senator Mike Gabbard, Chair

Senator Gil Riviere, Vice Chair

Senator Clarence K. Nishihara

Senator Karl Rhoads

Senator Russell E. Ruderman

COMMERCE, CONSUMER PROTECTION, AND HEALTH

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Senator Jill N. Tokuda, Vice Chair

Senator Stanley Chang

Senator Will Espero

Senator Les Ihara, Jr.

Senator Clarence K. Nishihara

Senator Russell E. Ruderman

ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

Senator Glenn Wakai, Chair

Senator Brian T. Taniguchi, Vice Chair

Senator Rosalyn H. Baker

Senator Brickwood Galuteria

Senator Laura H. Thielen

EDUCATION

Senator Michelle N. Kidani, Chair

Senator Kaiali'i Kahele, Vice Chair

Senator Donovan M. Dela Cruz

Senator Will Espero

Senator Donna Mercado Kim

GOVERNMENT OPERATIONS

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Senator Karl Rhoads

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Senator Gilbert S.C. Keith-Agaran

Senator Michelle N. Kidani

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Senator Will Espero, Chair

Senator Breene Harimoto, Vice Chair

Senator Josh Green

Senator Kaiali'i Kahele

Senator Clarence K. Nishihara

HUMAN SERVICES

Senator Josh Green, Chair

Senator Stanley Chang, Vice Chair

Senator Breene Harimoto

Senator Jill N. Tokuda

Senator Glenn Wakai

LABOR

Senator Jill N. Tokuda, Chair

Senator J. Kalani English, Vice Chair

Senator Stanley Chang

Senator Les Ihara, Jr.

Senator Brian T. Taniguchi

JUDICIARY

Senator Brian T. Taniguchi, Chair

Senator Karl Rhoads, Vice Chair

Senator Mike Gabbard

Senator Donna Mercado Kim

Senator Laura H. Thielen

PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Senator Clarence K. Nishihara, Chair

Senator Glenn Wakai, Vice Chair

Senator Rosalyn H. Baker

Senator Les Ihara, Jr.

Senator Laura H. Thielen

TRANSPORTATION AND ENERGY

Senator Lorraine R. Inouye, Chair

Senator Will Espero, Vice Chair

Senator J. Kalani English

Senator Breene Harimoto

Senator Maile S.L. Shimabukuro

WATER AND LAND

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

Senator Lorraine R. Inouye

Senator Gil Riviere

Senator Laura H. Thielen

WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair

Senator Gilbert S.C. Keith-Agaran, Vice Chair

Senator J. Kalani English

Senator Brickwood Galuteria

Senator Breene Harimoto

Senator Lorraine R. Inouye

Senator Kaiali'i Kahele

Senator Michelle N. Kidani

Senator Gil Riviere

Senator Maile S.L. Shimabukuro

Senator Glenn Wakai

ADJOURNMENT

At 10:06 a.m., on motion by Senator Espero, seconded by Senator English and carried, the Senate adjourned until 9:30 a.m., Tuesday, August 29, 2017.

SECOND DAY

Tuesday, August 29, 2017

The Senate of the Twenty-Ninth Legislature of the State of Hawai'i, Special Session of 2017, convened at 9:43 a.m. with the President in the Chair.

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

The President announced that he had read and approved the Journal of the First Day.

At this time, Senator Gabbard welcomed cadets from the Hawai'i National Guard Youth Challenge Academy, who were present in the gallery with Damian Miller.

Senator Galuteria introduced the Honorable Kirk Caldwell, Mayor of the City and County of Honolulu, who was seated in the gallery with his chief of staff, Gary Kurokawa.

STANDING COMMITTEE REPORTS

Senators Tokuda and Dela Cruz, for the Committee on Labor and the Committee on Ways and Means, presented a joint report (Stand. Com. Rep. No. 1) recommending that S.B. No. 2 pass Second Reading and be placed on the calendar for Third Reading.

Senators Tokuda and Dela Cruz, for the Committee on Labor and the Committee on Ways and Means, presented a joint report (Stand. Com. Rep. No. 2) recommending that S.B. No. 3 pass Second Reading and be placed on the calendar for Third Reading.

Senator Dela Cruz, for the majority of the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 3) recommending that S.B. No. 4 pass Second Reading and be placed on the calendar for Third Reading.

Senator Espero moved that Stand. Com. Rep. Nos. 1, 2, and 3 be adopted, seconded by Senator English.

At 9:45 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 9:49 a.m.

The Chair announced:

"During the recess, there was a request to have Stand. Com. Rep. Nos. 1 and 2 voted on first, then to have Stand. Com. Rep. No. 3 voted on separately."

Senator Espero then moved that the previous motion be amended.

The Chair clarified:

"So, the amendment will remove Stand. Com. Rep. No. 3 from the motion to approve. Senator English?"

Senator English seconded the motion.

The motion was put by the Chair and carried, the joint report of the Committees was adopted and S.B. No. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT COST ITEMS," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, August 30, 2017.

The motion was put by the Chair and carried, the joint report of the Committees was adopted and S.B. No. 3, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, August 30, 2017.

Senator Espero then moved that Stand. Com. Rep. No. 3 be adopted, seconded by Senator English.

Senator Thielen rose to speak in opposition to the motion as follows:

"Thank you, Mr. President. I know the Senate reserves remarks for Third Reading, so I will respect that, but I would just like to ask that something be entered into the Journal. I have in front of me a *Honolulu Advertiser* June 23, 2006, article, 'Rail transit system cost estimate: \$3 billion.' And I'll just remark from the first paragraph:

A new rail transit system from Kapolei to Manoa would cost more than \$3 billion to build . . . The new cost estimate is at least \$200 million more than previous estimates, but Mayor Mufi Hannemann said that does not necessarily mean more taxes will be needed, citing the possibility of public-private partnerships.

"So if I may ask for the entire article to be entered into the Journal under my remarks? Thank you."

The Chair having so ordered, the article is identified as "**ATTACHMENT A**" to the Journal of this day.

Senator Ruderman rose to request a Roll Call vote, and the Chair so ordered.

Senator English rose to speak on a point of information as follows:

"Mr. President, point of information: This is a procedural vote, right? Moving it for Second Reading?"

The Chair responded in the affirmative.

The motion was then put by the Chair and carried, Stand. Com. Rep. No. 3 was adopted and S.B. No. 4, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT," passed Second Reading and was placed on the calendar for Third Reading on Wednesday, August 30, 2017, Roll Call vote having been requested, on the following showing of Ayes and Noes:

Ayes, 17. Noes, 7 (Green, Harimoto, Inouye, Kahele, Riviere, Ruderman, Thielen). Excused, 1 (Taniguchi).

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 58 to 61) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 58, informing the Senate that on August 25, 2017, the Governor withdrew the nomination of REG BAKER to the Small Business Regulatory Review Board, under Gov. Msg. No. 39 dated August 23, 2017, from consideration by the Senate, was placed on file.

In accordance with Gov. Msg. No. 58, the nomination listed under Gov. Msg. No. 39 was returned.

Gov. Msg. No. 59, submitting for consideration and confirmation as Chairperson and Representative of the Public of the Hawai'i Labor Relations Board, the nomination of MARCUS OSHIRO, term to expire June 30, 2018, was referred to the Committee on Labor.

Gov. Msg. No. 60, submitting for consideration and confirmation as Chairperson and Representative of the Public of the Hawai'i Labor Relations Board, the nomination of MARCUS OSHIRO, term to expire June 30, 2024, was referred to the Committee on Labor.

Gov. Msg. No. 61, submitting for consideration and confirmation to the Hawai'i Sister State Committee, the nomination of JEAN ROLLES, term to expire June 30, 2020, was referred to the Committee on Judiciary.

Senator Tokuda, Chair of the Committee on Labor, requested a waiver of the notice requirement pursuant to Senate Rule 21 for Gov. Msg. Nos. 59 and 60.

Senator Tokuda noted:

"I request a waiver of the notice requirement pursuant to Senate Rule 21 in order to hold a hearing on Governor's Messages 59 and 60, which we have just received and which were just announced by the governor this morning. We want to make sure we can waive these rules so we don't extend this session further and cost taxpayers more money."

The Chair granted the waiver.

Senator Tokuda announced that the Committee on Labor would be holding a public hearing on Gov. Msg. Nos. 59 and 60 on Thursday, August 31, 2017, at 2:45 p.m. in Conference Room 225.

Senator Rhoads, Vice Chair of the Committee on Judiciary, requested a waiver of the notice requirement pursuant to Senate Rule 21 for Gov. Msg. No. 61.

Senator Rhoads noted:

"Mr. President, I request a waiver of the notice requirement pursuant to Senate Rule 21 in order to hold a hearing on G.M. No. 61, which we also just received from the governor this morning."

The Chair granted the waiver.

Senator Rhoads announced that the Committee on Judiciary would be holding a public hearing on Gov. Msg. No. 61 on Thursday, August 31, 2017, at 11:30 a.m. in Conference Room No. 016.

Senator Baker reminded the members of the Committee on Commerce, Consumer Protection, and Health that hearings on gubernatorial nominees to boards and commissions would take place at 10:00 a.m. and 1:30 p.m. in Conference Room 229.

ADJOURNMENT

At 9:56 a.m., on motion by Senator Espero, seconded by Senator English and carried, the Senate adjourned until 9:30 a.m., Wednesday, August 30, 2017.

ATTACHMENT A



Posted on Friday, June 23, 2006

Rail transit system cost estimate: \$3 billion

By Mike Leidemann and Robbie Dingeman
Advertiser Staff Writers

A new rail transit system from Kapolei to Manoa would cost more than \$3 billion to build and attract between 120,000 and 150,000 riders a day by the year 2030, city officials said yesterday.

The new cost estimate is at least \$200 million more than previous estimates, but Mayor Mufi Hannemann said that does not necessarily mean more taxes will be needed, citing the possibility of public-private partnerships.

The early projections show the costliest section of the 24-mile system would be in outlying areas between Kapolei and Aloha Stadium. Heaviest ridership would be in urban Honolulu.

Also yesterday, the city released its first drawings of what the elevated portions of the line might look like. In most cases, the rail structure would be about 30 feet above ground, but in at least one location — where the line along University Avenue would soar over H-1 Freeway — the structure would be as high as 60 feet above ground, officials said.

On the other hand, city officials said they were pleasantly surprised by cost projections showing that building a tunnel for rail through downtown Honolulu would be far less than expected, even less than when the last such tunnel was proposed 15 years ago.

INPUT FROM PUBLIC

The new information is the most detailed glimpse yet at the city's as-transit analysis and it comes at the midway point in a yearlong effort to determine the best mass transportation alternative for O'ahu.

It also comes as the city prepares for a new round of public meetings beginning tomorrow in which residents will be asked to help pick the best route alternatives based on construction costs, potential ridership and other factors.

"To use a horse race analogy, we're halfway around the racetrack and trying to figure who has the best chance of winning at this point," said Toru Hamayasu, the city's chief transportation engineer.



To pass above H-1 Freeway at University Avenue, the rail structure would be elevated as much as 60 feet, according to city officials.

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ON THE WEB

Transit information from the city is available at www.honolulutransit.org.

Hamayasu said the city is committed to sharing progress reports at various points in the analysis rather than waiting until the Nov. 1 deadline to present a preferred alternative to the City Council.

He knows that the views — especially one of the rail structure towering over University Avenue — will get a lot of attention. But he thinks it's important for the community to see and understand what's being planned.

If that alternative is chosen, Hamayasu said, "this is what's going to happen: There's no hiding a concrete structure in the middle of the road."

The city figures released yesterday do not include costs of the trains themselves, any right-of-way land that needs to be purchased, or operation and maintenance costs. Even so, just building the infrastructure needed for the rail line would top \$3 billion, the city said for the first time.

With the added expenses, the line might end up costing more than \$4 billion to build, said rail transit opponent Cliff Slater.

"That's what we've been saying all along. I'm happy that the city's figures are in line with ours," said Slater, who was reached for comment while traveling to the Machu Picchu ruins in Peru.

NO TOLL-ROAD FIGURES

The projections do not include cost or ridership figures for a "managed lane" toll-road highway still being considered as an alternative to rail. Figures on that option will be available in several weeks, Hamayasu said.

The city expects to receive \$150 million annually from the excise tax surcharge that goes into effect on Jan. 1, 2007, to help pay for the transit system. The city had asked for twice that amount, hoping to take the excise tax from 4 percent to 5 percent instead of the 4.5 percent that passed the state Legislature.

Still, Hannemann said he's not ready to say the higher cost estimates will send him back to state and city lawmakers asking for higher taxes.

"It's too soon to tell because I'm a big believer in public-private partnerships," Hannemann said.

He pointed to Salt Lake City, where the University of Utah donated the land for a transit parking lot while the Church of Jesus Christ of Latter-day Saints donated the \$10 million parking structure. Because of the donations, he said, the Utah transit authority was able to take over one level of parking exclusively for riders.

"There are ways we can reduce the dependence on the state tax dollars," Hannemann said, including federal money, contributions of land and rights of way, and developers willing to pay for the benefits that a transit system could bring to their community.

NEXT BRIEFINGS

At community meetings starting tomorrow, city officials will release more information on various transit alternatives, including comparisons of the cost and potential ridership for segments of the fixed-rail proposals and computer simulations of how they would look.

Meetings will be held:

- Tomorrow, 8:30-10 a.m., at Kapolei Hale.
- Monday, 5:30-7 p.m., Mission Memorial Auditorium (near Honolulu Hale).
- Wednesday, 6-7:30 p.m., Aliamanu Middle School cafeteria.

ATTACHMENT A

The city did not provide a breakdown of costs or detailed ridership figures for specific route options. Instead, it offers "relative" figures, showing how much more one route would cost compared to another and how many people would ride the rail depending on where it goes.

MO'ILI'ILI REACTION

Several business owners and residents near the University of Hawai'i-Manoa said yesterday they thought the design of the rail line through the area would be acceptable to the community, but worried about potential noise problems and keeping fare costs down.

"It looks absolutely gorgeous. A little out of place, but still gorgeous," said Kristine Browner, owner of the Well Bento Restaurant on Beretania Street near University Avenue. "The important thing is that they keep it affordable to ride. It's going to be good for business and going to help a lot of people. It's a move toward the future that will open a lot of doors and create a lot of jobs."

Honolulu resident Chris Okudara said he didn't mind the design.

"It looks kind of big and noisy, but I don't find it objectionable," Okudara said. "I don't think I'll use it myself, but it would be perfect for my son who lives in Pearl City and could go to the University of Hawai'i."

IT'S NOT 'THAT NICE'

Elizabeth Rudinoff, a UH-Manoa psychology student who lives on Dole Street, said the rail line "certainly doesn't look that nice, but it could have its advantages.

But she said: "We've got a good bus system that covers pretty much the same ground, so I don't think I need to use it."

City Councilman Charles Djou and Councilwoman Barbara Marshall were the only two on the council to vote against the transit tax.

Djou has questioned whether the city is prepared to embark on the huge public-works project, but after seeing the preliminary analysis this week, he's cautiously impressed by the concept.

"I think it looks great. If it works, I think that's fantastic," Djou said. "My objection hasn't been against mass transit; my concern has been the tax increase and getting this thing done right."

But he's got some major questions. Since the planners have yet to select a technology for the rail line — light rail, monorail or a magnetic levitation system — it's hard to get a handle on the actual costs, he said.

"The cost estimates are just that — they're wild estimates," Djou said.

Hamayasu said many other factors — social, environmental, technological and financial — will be considered in ultimately deciding the preferred transit alternative for O'ahu.

City officials hope to present a preferred alternative recommendation to the City Council by Nov. 1. The council then will make the final selection on a new transit system.



This is how a mass-transit proposal envisions a fixed guideway serving riders traveling to and from the Pearlridge Center.

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This is how a fixed-guideway system would look from King Street in Chinatown, with the line running a corridor along Honolulu Harbor.

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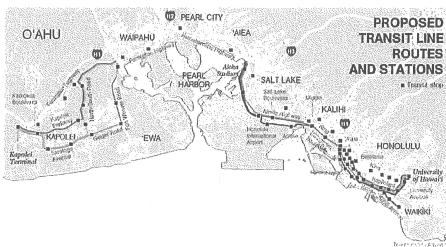
The effort marks the fourth time in the last 25 years the city has tried to develop a new mass-transit system for O'ahu. The previous efforts, including two rail projects and one bus rapid transit system, floundered and ultimately failed because of cost concerns or changes in local political administrations.

City Council Chairman Donovan Dela Cruz, a rail supporter whose district includes the North Shore, said it's crucial for the city to plan transit-oriented development districts.

"It's a land-use issue," Dela Cruz said. "Development will occur around the stations."

Reach Mike Leidemann at mleidemann@honoluluadvertiser.com and Robbie Dingeman at rdingeman@honoluluadvertiser.com.

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ATTACHMENT A**JOHN HENRY FELIX**

P.O. Box 240778
Honolulu, Hawaii 96824

August 25, 2017

Damien Kim, Chair
Honolulu Authority for Rapid Transportation
City and County of Honolulu
1099 Alakea Street, 17th Floor
Honolulu, Hawaii 96813

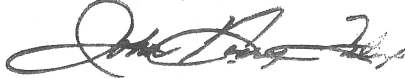
Dear Chair Kim,

I am writing to you, once again, to respectfully request that you convene a special meeting to consider a forensic audit of HART's finances and, specifically, every dollar spent on the rail project. As we all know, this is a project that was originally expected to cost \$3 billion in 2006 (see attached article from The Honolulu Advertiser) and the current "official" estimate is \$10 billion, with no certainty it won't continue to climb.

The recent statement from the City Auditor about the financial accounting for the rail project is extremely troubling: "We found that the internal controls were so weak that if fraud, waste or abuse were to occur, HART and others would not have detected it and could not have taken corrective action if it had occurred." This should be a wake-up call for the HART Board!

I implore you and my colleagues on the HART Board to initiate a forensic audit before proceeding with the next phase of this project. We can learn much from such an audit and thereby implement safeguards and fail-safe measures to address the City Auditor's findings and restore public confidence in this project. It is our fiduciary responsibility as HART board members to pause, assess, analyze and share our audit findings with members of the public who are paying for this project. I also believe it is the right thing to do for our new executive director/chief executive officer. How can he possibly do his job without a solid understanding of the financial situation of this project?

Me ke aloha pumehana,



John Henry Felix

Copies: Hawaii State Senate
Hawaii State House of Representatives
Mayor Kirk Caldwell
Honolulu City Council
HART Board

THIRD DAY

Wednesday, August 30, 2017

The Senate of the Twenty-Ninth Legislature of the State of Hawai'i, Special Session of 2017, convened at 9:38 a.m. with the President in the Chair.

The Roll was called showing all Senators present.

The President announced that he had read and approved the Journal of the Second Day.

At this time, Senator Baker introduced members of the Maui County Council, who were present in the gallery: the Honorable Stacy Crivello, councilmember representing Moloka'i; the Honorable Riki Hokama, councilmember representing Lāna'i; and the Honorable Mike White, council chair representing Maui.

Senator Inouye recognized the Honorable Valerie Poindexter, chair of the Hawai'i County Council, who was seated in the gallery.

Senator Kahele introduced Doug Shinsato, nominee to the University of Hawai'i Board of Regents, who was accompanied in the gallery by Dr. Amy Agbayani.

On behalf of Senate President Kouchi, Senator Kahele also introduced the Honorable Mel Rapozo, chair of the Kaua'i County Council, who was present in the gallery.

Senator Ihara noted that Lisa Maruyama, who had offered a moment of contemplation earlier that morning, is the president and chief executive officer of the Hawai'i Alliance of Nonprofit Organizations (HANO).

STANDING COMMITTEE REPORT

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 4) recommending that the Senate advise and consent to the nomination of JAMES GRIFFIN to the Public Utilities Commission, in accordance with Gov. Msg. No. 3.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 4 and Gov. Msg. No. 3 was deferred until Thursday, August 31, 2017.

ORDER OF THE DAY

THIRD READING

S.B. No. 2:

On motion by Senator Tokuda, seconded by Senator Dela Cruz and carried, S.B. No. 2, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT COST ITEMS," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 3:

On motion by Senator Tokuda, seconded by Senator Dela Cruz and carried, S.B. No. 3, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC EMPLOYMENT," having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

S.B. No. 4:

Senator Dela Cruz moved that S.B. No. 4, having been read throughout, pass Third Reading, seconded by Senator Keith-Agaran.

Senator Green rose to speak in opposition to the measure as follows:

"First, let me be clear: I support public transportation in Hawai'i. Hawai'i should have an efficient, environmentally sound and friendly, cost-effective transit system that works for our families, creates jobs, and helps our economy grow. But I cannot support the bill before us today, and here's why. Ten years ago, the Legislature decided to address the problems of traffic congestion on O'ahu. No one has disputed that this is a critical problem, and it needs to be solved. So we ended up passing one of the largest tax increases in Hawai'i history to pay for one of the biggest and most expensive state projects ever. But since then, due to massive overruns and unexpected costs, Mr. President, a \$4 billion project has ballooned into an \$8 billion project in cost that will indebt and burden generations to come in Hawai'i. By the time it's completed, it's likely that this project will cost more than \$10 billion for an urban transportation project in our small and mostly rural state. I'm not pointing fingers or blaming anyone; I'm stating facts. What was supposed to be a temporary tax increase has been extended far into the future, and many people believe that just to manage and maintain this project, the tax increase will eventually have to become permanent. That's just always what seems to happen.

"To give you guys some perspective, when we passed that first increase in the GET, my wife, Jaime, and I had just learned that week that we were expecting our first child, Maia. Maia is 10 years old today. This week, the tax that was supposed to be temporary will be extended at least until she's out of college. And the project won't be completed until Maia is an adult with children of her own. Now we're proposing an additional 13-year statewide tax burden on tourism, our most important industry and one our economy depends on for growth, as we all know. Ten years ago, there was hope that this project, a project of this magnitude, would create jobs, spur economic growth, and would help working families – and to some degree, it's begun to do that. But at what cost to our taxpayers? At what cost to Hawai'i families, Mr. President? Too many families across our state understand that raising taxes on the neighbor islands to pay for this urban project, one that is vastly over budget and far from complete, just doesn't make sense and doesn't seem fair.

"And because we've become so preoccupied with bailing out a project that's considered too big to fail, we haven't been able to make progress on many other issues that could make a real difference in the lives of Hawai'i families. Colleagues, ask yourselves how many times in the last 10 years that we've had together here that we've needed to solve other major challenges in Hawai'i but we couldn't even consider the GET to address them because we'd already raised taxes and mortgaged our future. Here are some of the other priorities that we have not been able to address: We have a serious housing crisis in Hawai'i, a shortage of affordable housing so severe that our young families are often forced to leave Hawai'i and move to the mainland because they can't afford to live here with us anymore. We have more than 10,000 homeless in our state, the highest per capita rate in the nation, a neglected population with needs that threaten to overwhelm our healthcare system. Our public hospitals desperately need \$1 billion in repair to maintain their functionality. Just this year, due to severe budget constraints and an inability to support operations, we, legislators, were forced to privatize Maui's hospitals. As other states are moving to provide debt-free college education to every one of their students, we're told we can't make this crucial investment in Hawai'i's young people because we can't afford it. As many as a hundred thousand people in Hawai'i suffer from drug or alcohol addiction, but because we have a

lack of funding, we now offer treatment to only 5 percent of our citizens because we don't have the appropriations to take care of them. You all know we need to build new public schools and make hundreds of millions of dollars in repairs to our existing schools. We need to supply air conditioning to thousands more classrooms, but we couldn't justify a needed GET increase for education because it was committed to rail already. Year after year, we barely fund our education initiatives like the charter schools. We continually struggle to fund Kupuna Care for our most vulnerable citizens. We have a multi-billion-dollar unfunded liability for our pension system. And, finally, we barely have any savings in our rainy day account or our hurricane trust fund in case of a true emergency. The list goes on and on.

"Back in 2006, I voted against the tax increase for rail even though I believe in public transportation and I support progressive, environmentally sensible and friendly policies. Even though I believe in investing in economic development and want to create more good jobs for Hawai'i's working families, something told me then that the deal we were making would have serious consequences for our future. I believed then that a tax increase that big and financing a debt of that size could cripple our ability to invest in other important goals and priorities for our generations. That's exactly what happened, colleagues.

"Every day, Hawai'i families tell me they want government to work for them. Every day, they say government should reflect our shared values and that government should get results that make their lives just a little bit better. Is everything we do here at the Capitol right? We should ask ourselves, 'Are we fulfilling these responsibilities?' We should ask ourselves, 'Is funding one project more important than fixing our hospitals, repairing our schools, hiring more teachers, providing affordable health care, expanding drug treatment, solving the homeless crisis, or sending every student in Hawai'i to college debt-free?' Right now, families across Hawai'i are wondering what we're doing – having a special session, raising taxes, spending billions of dollars on a project that may ultimately benefit only a few people – instead of working on so many other critical priorities.

"Today, I'm voting 'no' on S.B. 4, because as much as I want to see the rail project completed, now that we have come this far, funding it should not come at the cost of neglecting all the other needs that Hawai'i's families have. But if we do go forward today, colleagues, appropriating billions of dollars more for this project, the very least, I urge of you, is that it be brought under control, completed as quickly and efficiently and frugally as possible. Audit this project; cap its costs; limit its scope; make sure it's finished on time and on budget. Colleagues, we must ensure that no more of our taxpayer money is wasted so we can finally turn our attention to the pressing needs and challenges of a generation that we face all across our state and return to the business of improving the lives of Hawai'i families. Thank you, colleagues."

Senator Riviere rose to speak in opposition to the measure as follows:

"Mr. President, the problem is complex, and we've been looking at this for years, and I would say that I'm disappointed that the focus is so much on funding because, to me, funding is an issue, but it's a spending problem. I think throwing more money at something that has a spending problem is not addressing the symptoms to cure the problem. So, while this is well-intentioned, and everybody's here trying to make a transportation project work, and I think everyone can agree that a viable, affordable, and efficient transportation project is very, very worthwhile, I cannot support this bill because we're just throwing, I think, good money after bad. In other words, people have tried to frame me as an anti-rail person, and I don't think

that's a fair description because I am supportive of transit systems that would make sense. What I'm opposed to is – I think the public is seeing this also – I'm opposed to, get this, a Brobdingnagian, budget-busting boondoggle that has become a black hole, sucking in all of the priorities that the former speaker mentioned. The city is crying out that they can't afford this rail system and they certainly can't afford it based on their own revenues, so, therefore, they need more money. So now we're going into taxing tourists; we're taking more money from the poor and downtrodden who can barely afford the cost of living as it is. So we're adding billions of dollars onto the backs of people for what reason? To build this rail system.

"And while I appreciate the hard work that's gone into this project and the members who have worked to come up with a very creative and clever way to fund this, I again think we're missing the point: It's the spending problem and, frankly, it's the city's uncompromising position that they will not adjust anything. I have continuously asked, in the last three years, to the city, 'What will you do when you run out of money?' And they never answer that question because the answer's always, 'We need more money or else,' and then there's all these threats of gloom and doom and the federal funding this and that, and it is clear to me that the federal authorities want this project to be finished in a responsible way and that they are willing to work with the city if the city actually had a bona fide, viable, financially sustainable plan. I am concerned about the unending costs of the maintenance; the number that's banded around is \$130 million. It doesn't get a lot of scrutiny, but that's the number that's operational, and that actually works out to about a quarter-percent GET surcharge forever. So, again, the previous speaker mentioned that this is going to become a permanent expense, and if that is the intention of this legislature, then we should get around to that and quit groaning and moaning that this is so painful for us. So, while this is all well-intentioned, you know, this isn't going to be the last time. I don't think there's a person in this room or in this state who believes \$8.2 billion is going to finish the project. So then the question is, 'What then?' Right? We're hoping; we're hoping; we're hoping this is the last time, but that's what we said last time. Thank you."

Senator Dela Cruz rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

The Chair having so ordered, Senator Dela Cruz's remarks read as follows:

"Thank you, Mr. President.

"I would like to begin by thanking the Senate President, my Senate colleagues, and the Ways and Means Committee staff for the long hours of research, deliberation, and discussion on Senate Bill 4. I would also like to recognize House Speaker Scott Saiki and Chairs of the House Committee on Transportation and the House Committee on Finance, Representatives Henry Aquino and Sylvia Luke, for their efforts to work together with members of the Senate to create a fair and balanced measure.

"The Honolulu Rail Transit Project is the largest capital project in the State of Hawai'i. The rail transit project began in 2008 when the voters of the City and County Honolulu voted for the referendum which established a steel wheel on steel rail transit system. Subsequently, in 2010 the voters supported the creation of the Honolulu Authority for Rapid Transportation (HART) as the semi-autonomous public transit authority that would be responsible for the construction, operation, maintenance and expansion of the mass transit system.

"Last year, voters ultimately supported a Charter Amendment which will transfer positions, legal rights, and obligations

relating to rail operations and maintenance from HART back to the City and County of Honolulu Department of Transportation Services upon completion of the construction of the rail system.

“Since then, the Honolulu Rail Transit Project has been riddled with financial and management issues according to the Federal Transit Administration’s (FTA) project manager oversight contractor Jacobs Engineering Group Inc. What originally began as a \$4 billion project has doubled into a \$8 billion project. Through the years, the Legislature has been repeatedly called upon by the City and County of Honolulu to fund its mass transit project.

“The Legislature adjourned this May without reaching an agreement on how to fund the rail transit project. Despite the impasse, both chambers worked tirelessly during this special session to develop a proposal built on consensus. In an effort to be open, transparent, and collaborative, information was provided to highlight important historical context, various funding alternatives and options for ensuring accountability. It was shared with the Senate Majority Caucus over multiple meetings, and suggestions and comments were taken into consideration throughout the process to build a Senate position on this issue. It was also shared with our House colleagues and various community stakeholders during this undertaking. Mr. President, I would like to enter this information as attachments into the Journal.” (The presentation is identified as **“ATTACHMENT A”** to the Journal of this day.)

“The result of our discussion is presented in this bill. The purpose and intent of this measure is to provide a funding mechanism for certain county transportation projects, and more specifically to continue to assist with funding the City and County of Honolulu’s mass transit project. It will minimize long-term financing costs which lessens the tax burden on residents of the State of Hawai‘i and the City and County of Honolulu by requiring two different methods of revenue generation.

“More specifically, this measure authorizes the City and County of Honolulu to extend the General Excise Tax (GET) Surcharge for an additional three years until December 31, 2030. This measure also increases the Transient Accommodations Tax (TAT) from 9.25 percent to 10.25 percent statewide from January 1, 2018, to December 31, 2030. Additionally, the 10 percent of gross proceeds retained by the State for the costs of assessment, collection, and disposition of the county surcharge will be reduced to 1 percent. Funds generated from the GET Surcharge and the TAT increase of 1 percent will be allocated to a Mass Transit Special Fund where the State will maintain the ability to verify expenditures prior to disbursing moneys to the City and County of Honolulu.

“It is also important to note that this measure will make permanent the TAT annual allocation of \$103 million to the counties. In 1990, the state elected to share a portion of statewide TAT collections with each county to provide a stable and continuing source of revenue. As of July 1, 2017, pursuant to Hawai‘i Revised Statute 237D-6.5, the counties’ allocation was set to be reduced by \$10 million. However, to encourage long-range planning and to further our commitment to supporting our neighbor island communities, this measure restores the state’s financial subsidy to the higher level of \$103 million.

“Historical data from the Department of Taxation and the University of Hawai‘i Economic Research Organization (UHERO) shows the impact of the increased TAT will likely be minimal on the tourism industry. Data from the Hawai‘i Tourism Authority shows that the average hotel room in Hawai‘i costs \$254 per night. Despite the 1 percent increase, tourists would only pay \$3 more per night.

“In fact, Hawai‘i’s resort fees, which are charged by only 7 percent of hotels nationwide, have seen increases within recent years. These resort fees have not negatively affected the tourism industry and the state continues to benefit from record breaking visitor spending and arrival numbers.

“At the August 14, 2017 informational briefing, both the Mayor of the City and County of Honolulu and officials of HART submitted testimony reflecting the project costs totaling \$8.165 billion based on the current schedule as of June 30, 2017.

“Shortly thereafter, the Mayor of the City and County of Honolulu requested an additional \$548 million to the \$8.165 billion rail transit project budget to fulfill the FTA financial stress test requirement. Congresswoman Hanabusa wrote in her testimony, ‘While the FTA most certainly will look for a stress test of the financial plan, just as they did in 2012, there is absolutely no support for the Mayor’s position that the \$548 million must be funded now through S.B. 4.’ This means that the \$548 million figure for the financial stress test will only be needed should the FTA find HART’s financial recovery plan inadequate. The FTA does not require the funding be in place to address those potential variances.

“Estimates show that the conservative 3 percent GET revenue projection and the 29 year historical 8 percent TAT revenue data show that revenues may yield a possible windfall exceeding the Mayor of the City and County of Honolulu’s request for an additional \$548 million to the \$8.165 billion rail transit project budget. It is the opinion of this body that the state’s financial responsibility should not exceed this combined amount and the City and County of Honolulu should be responsible for any future costs beyond the combined amount.

“With regard to fiscal accountability, additional oversight is necessary to ensure that the rail transit project is completed in a transparent and responsible manner. Accordingly, this measure includes further provisions on regular reviews, verification and certification of expenditures, and board oversight.

“The measure requires the State Auditor to conduct a thorough financial audit of HART including an analysis of the fiscal and management policies, practices and processes, and to complete annual reviews of the project.

“It also requires HART to submit invoices of its mass transit capital costs to the State Comptroller. The Comptroller will then certify that the capital costs qualify under the expenditure requirements of state law, prior to the allocation of funds for expenditures. This is a similar process that HART uses to receive funds under the FTA Full Funding Grant Agreement. Once certified by the Comptroller, the Department of Budget and Finance shall disburse funds and post all certified expenditures to the department’s website for public review.

“Furthermore, provisions in this measure allow the Senate President and Speaker of the House to each appoint two non-voting, ex-officio members to the board of directors of HART. The Mayor, on behalf of the City and County of Honolulu, the Honolulu City Council Chair and HART have all indicated they do not object to increased state oversight on this project.

“While maintaining a commitment to the state’s obligations and priorities such as billions of dollars in unfunded pension liabilities, unfunded liabilities for retiree health benefits, and deferred maintenance costs statewide, the Legislature can assist in providing smart and effective solutions, such as public-private partnerships, for the City and County of Honolulu mass transit project. It is important for all parties to come together in addressing matters impacting the people of the State of Hawai‘i.

“Again, I would like to thank my colleagues in the Senate and the House for their effort and hard work in reaching a compromise during this Special Session.

“Mahalo, Mr. President.”

Senator Espero rose to speak in support of the measure as follows:

“Colleagues, we’ve all heard from our constituents who are angry, frustrated, unhappy, unsatisfied with what has happened with the rail system. Something that started off under \$4 billion is now approaching \$10 billion – totally unacceptable to our voters and to the residents of Hawai‘i. We are unhappy with the bloated cost, high expenses, and the cost overruns, which make many people question, ‘What the heck is the city and county and HART doing with this project?’ But, unfortunately, there is no turning back, and we’ve also heard from our constituents from that perspective. We can’t turn back; we’re not going to tear down what’s been built. We need to complete this for the sake of O‘ahu, Honolulu’s economy, and for future generations. Our backs are against the wall. If someone has a better idea, please present it, because I haven’t seen it or heard it.

“In our democracy, we have to compromise and negotiate, and that’s what has happened. The Senate had a measure at the end of last session and the House did. We were miles apart, and the city and county was panicking and stuck, especially with the federal deadline looming. Are we going to get an additional \$700 million? Are we going to have to pay back \$800 million? A billion-dollar question that the federal government is demanding that the State of Hawai‘i fix and come up with a solution because if we don’t pass that bill, this issue will come up. We’re going to determine, what, how are we going to tear it down? Are we going to raise property taxes? Are we not going to deal with the transportation problem of Honolulu for the next 10, 20, 30, 50 years? This is a project that must be completed and built, and we’ve all heard and felt the anger of our constituents, but now is the time to step up and show some leadership because we know we can’t please a hundred percent of the population a hundred percent of the time. We’ve had countless votes where people have been disappointed and saddened, but we’ve moved forward. We’ve proceeded and progressed because that’s what we do as the State Senate, the top leadership group in government, in my opinion.

“So we’re not just going to do the general excise tax for O‘ahu – we’re going to ask that the visitors going to the neighbor islands contribute to this. Let me repeat that: the visitors who are going to the neighbor islands. We’re not taxing our local people’s income tax; we’re not asking them to pay an increased general excise tax. Now, of course, if a neighbor islander is staying on a neighbor island, they will pay the tax – that’s a given. But, generally speaking, the majority of the people paying this tax, this extra tax for 13 years, will be visitors. And, by the way, I don’t know if any of you know this: Since 2000, we have distributed or put into the Tourism Special Fund \$1.2 billion – the last three years, \$82 million. And that’s just the last 17 years. If you take the money that we put into the Tourism Special Fund, you know, it’s probably two, three billion dollars, easily, helping our tourism industry – which we all want to do – and helping these multimillion-dollar corporations – like Outrigger, Hilton, Marriott, Sheraton – who are benefiting from the billions of dollars we put in the Tourism Special Fund already, not including what we put in the convention center special fund. So we help each other; that’s what we do as one state. Yes, we represent different districts and we are many counties, but this is a situation; this is unprecedented. A project of this size has never been built anywhere in the world, and, frankly, they got their projections wrong. And when you look at the delays and other problems, sadly, we are at this point now where we’re debating what’s best. The TODs that will come from the transit system are

imperative and key and necessary for the vitality and success of O‘ahu and Honolulu’s future economic needs. And when O‘ahu and Honolulu do well, the neighbor islands do well. And by putting cost upfront, we are saving millions – if not billions – of dollars in interest.

“So, there are positives that are coming out of this but, certainly, it has been divisive. Hopefully, after this week, we will move forward and continue on the issues that the good senator from the Big Island addressed – I don’t disagree with most of what he said. And as the Senate, we are in leadership positions to deal with all those problems, from health care to housing and all the other problems we have to deal with. So, colleagues, I urge you to support this bill, as my mouth is getting much drier now. Okay, thank you, aloha.”

Senator Ruderman rose to speak in opposition to the measure as follows:

“Firstly, may I ask that the words of the senator from Kona be included in the Journal as if they were my own?” (The Chair so ordered, by reference only.)

“I appreciate him bringing up the important point of how we can afford either rail or everything else. I also observe how, in the last couple years, we did not raise taxes for Kupuna Care; we did not raise taxes for our teacher crisis, but we’re raising taxes for rail.

“Among the greatest costs of rail, we can now add a severe degradation of the democratic process. By that, I mean this bill was crafted behind closed doors and presented to us with the instructions that there will be no changes – **before** we ever heard from the public. So we had a public hearing on Monday after the bill was written in its final form – I don’t know what they think that we were doing, listening to them, but it was not a legitimate public input. We have a major new tax being enacted and we never heard from the public before we wrote the bill. Thank you very much.”

Senator Thielen rose to speak in opposition to the measure as follows:

“A little over a week ago, Lee Cataluna wrote a column in the *Honolulu Star-Advertiser* about how, in Hawai‘i, we’ve been backed into a corner, where you’re either for or against something. There’s no middle ground, that anybody who wants to raise a discussion is labeled ‘as against’ something. I think that’s a really dangerous state that we’re in because in quashing any discussion of alternatives, in quashing any discussion of a broader vision and greater needs, we’re backed into piecemeal choices on individual projects or policies that then close the door to other options and leave us unable to achieve that greater vision.

“Let me begin by saying what I’m for, because I don’t want to be pegged as what I’m against: I am for using public money to provide mass transit alternatives to people living in our second city of O‘ahu and the Mililani area. We designated these areas as our growth areas and so we as an island – including my constituents, who don’t live in that area – should support the mass transit necessary to provide those people options to get into Honolulu. It’s unbearable right now.

“I am for transit-oriented development, provided that that development focuses on housing for local residents, including people who are at the 60 percent of area median income and below all the way up to 140 percent, and doesn’t result in a Kaka‘ako type of development. I have two daughters, aged 20 and 24. I desperately want them to be able to live in Hawai‘i; they desperately want to be able to live in Hawai‘i, and right now O‘ahu does not look like an option for them for long term because of the housing costs. So I am for transit-oriented development.

"I'm even for giving the counties alternative tax bases because their reliance on the property tax means that they're going to have to continue to approve developments in order to generate the revenues to operate, and I think if we as a state start to take a hard look at what types of alternative tax bases do we need to give the counties control over, it could result in better decisions about our land use and development practices across our state.

"And I am for achieving all this in a manner that takes into serious consideration the fact that the majority of our residents live paycheck to paycheck and that we come up with alternatives to the highly regressive tax structure that we have right now that relies on general excise tax for the majority of our revenues, which impacts our lowest-income residents the hardest, and where we actually charge income tax for people who are working but earning below poverty level in wages.

"What we're here for today, though, is a session that is designed to quash any discussion or debate of alternatives. We're being told that there is only one choice: elevated rail to Ala Moana for a price tag that we know that this bill isn't going to provide. We're kicking the can down the road; we're not achieving meaningful transportation for people because we're not getting to the University of Hawai'i as the rail was originally planned to do. We're shutting the door to alternatives or the discussion. The Majority Floor Leader said, 'If there's other ideas, let me hear it.' How? How were we supposed to hear these other ideas? This session is **five days long** to pass a bill that is for over \$2 billion? Give me a break! The Superferry session was eight days long; there were informational briefings on four islands. We're raising the TAT statewide, and we haven't had a single hearing on the neighbor islands? We're having a five-day session, and people who want to talk about alternatives are being quashed and told that they cannot raise them because if you rock the boat, we won't get this deal through? We're closing the doors to a lot of alternatives to that broader vision that I just talked about being for and I think everybody in this room is for.

"We're not dealing with the harder issues that we have to resolve, such as, how is the city and county going to pay for upgrading the water and sewer lines that are needed before we can do any transit-oriented development along the rail lines? We've been talking public-private partnerships since 2006 – I mentioned that newspaper article yesterday, where the former mayor Mufi Hannemann said, 'We don't need any more taxes other than the \$3 billion for rail because we're going to do public-private partnerships.' **Not one.** Why? How does an individual developer who's going to go in and put in a mixed-use housing project pay to upgrade the water and sewer lines that not only deal with that housing project along the rail line but also all the housing and other projects around it? It's going to require the City and County of Honolulu to invest in that infrastructure, and the only way we've known how to invest in that infrastructure in recent years is by requiring the developers to do it, so you know what happens when they do it? They have to build higher-price housing. Look what happened in Kaka'ako!

"We have shut down any discussion on the question; 'If you want to continue rail at this price, and you're trying to sell it by saying it's going to come with transit-oriented development, how are you going to achieve that?' We're shutting down not only the GET but now the TAT to deal with the problems that our senator from Kona just raised. And the irony is every single one of us who drive into this building off of Punchbowl, this entire week, we're driving by an elderly, sick, and probably severely mentally ill gentleman who is lying on the grass at the entrance to that parking lot, slowly dying. It's like a Third World country where we ignore that and we come in here and in a five-day session, we pass a bill for \$2 billion for a project,

that's not going to finish that project, that's not going to achieve the things like the TOD that we've talked about – and then we walk away. I agree with the senator from Puna that I think one of the biggest casualties of this session is the fact that this Senate body has quashed debate, because we had the ability to force the debate and the discussion to try and come up with a holistic solution to these very serious problems. And we've not done it."

Senator Ruderman rose to request a Roll Call vote, and the Chair so ordered.

Senator Tokuda rose to speak in support of the measure as follows:

"Winston Churchill once said, 'Courage is what it takes to stand up and speak. Courage is also what it takes to sit down and listen.' In the final days of the last session, we negotiated and proposed a floor amendment very similar to the bill that you see before us today. Given what happened at the end of session, some may be surprised that I am supporting this bill. My position and my vote today, as it was when I was WAM chair, is as it always has been: about the issue. My primary concern then and now with any rail funding bill is ensuring that it is not a blank check on the backs of our taxpayers, continuing to further burden our residents for decades like others have proposed, and that it holds the city accountable.

"There was much stir and focus about the who, the what, the when, and the how of what was put forward. Sadly, I believed, one of the most overlooked and underappreciated questions in it all was the why: Why did we look at other sources of funding? As WAM chair, I saw the burden that a long-term additional general excise tax would place on those least able to afford it. People are struggling. When I take the kids to school, when I go to soccer practices, when I'm at Cub Scouts, you shop at Longs – every day, you hear it. You all see it, just like me. Yes, we've got cranes in the sky and we've got relatively low unemployment, but it's getting harder and harder to make ends meet. So many of us sit at that kitchen table every month, just like our families who live right next door to us, struggling to make it through and to get things to balance. And those responsible for rail need to do the very same thing; they need to make sure that they can control costs; they need to balance their budgets as well.

"And even supporting a very short-term extension of the GET surcharge, it is not lost on me how difficult this is for our people, for our small businesses. That's why it was important to me that we pass EITC for our workers, who are struggling, and make permanent the food excise tax. That's why it was important to me that we support the Hawai'i Promise program – \$1.8 million – so that community college students could go debt-free and get their degrees, especially if their families weren't able to afford it. That's why it was important for me that we support our education committees and put forward \$1 million for early college, which provided access in our most rural communities, giving people a leg up. That's why, over the last three years, we've increased the rainy day fund by over \$300 million – I think it's at \$317 million right now – so that, should we hit that recession again – and we know it's slowing now – we'll be prepared for when that time comes. That's why we put over a hundred million dollars last year away to address our pension shortfall, to keep us on track to paying off our debts that we've been incurring. That's why we included over \$600,000 for Kupuna Care, not to mention money that we also put aside – over \$4 million – for Kupuna Care programs and ADRC, so we can support our aging families and the caregivers who take care of them. That's why we also put aside \$33 million to support Maui Memorial Hospital, so that they can have access and transition toward better health care for our families there. That's why we've also had additional increased levels, more than we've seen in any years, for homeless

supports across the board. We've done various things for homeless services, especially when you take a look in the area of \$3 million in general funds for Housing First, \$3 million for Rapid Re-Housing – this is even above what the governor called for in his executive budget – \$1.5 million for homeless outreach services, and even \$500,000 to take a look at homeless individuals with serious and persistent mental illnesses. This is something that our homeless coordinator, when I talked to him two years ago, was looking at so that we could actually do drop-in centers and look at public-private partnerships. I believe you've actually seen it in the newspaper recently; he was looking at committing funds specifically toward these resources. All of these things, we have been looking at over the years and putting aside because we knew it was important for our families statewide to be able to access these services. And, yes, it was a commitment, and, yes, we had to cut into our budget, but this was important for our families to do.

“But to really protect our people from the regressivity of the GET, it had to be a shared responsibility that ensured fiscal accountability. Up until that point, the only funding option for rail that was on the table had been the GET tax that burdens working families, our men, and our women. We had to consider other immediate funding sources. Talking then with tourism representatives, we found a middle ground that would provide more upfront cash: the TAT, allowing HART flexibility for financing options that could save hundreds of millions of dollars in interest, that would save money for our taxpayers right out of their wallets, keep it there where they need it, and eliminate the need to extend the GET out 7 to 10 years as was currently being proposed at that time, on the table, that would further compound the long-term impacts on the most vulnerable in our community – that was important for me. To further assist support to all of our counties, a restoration to \$103 million in TAT funds was provided, and it's going even further, making it in perpetuity in Senate Bill 4, the bill we have before us today. We stood up and forced a change in the way we approached rail, first and foremost, by focusing on fiscal accountability, asking the tough questions, demanding answers, then by moving the discussion away from simply relying on this regressive tax.

“In the months since we ended session, there have been many discussions about rail and opportunities to sit down and listen, but one thing remains clear: We must continue to be vigilant and persist in upholding our fiduciary responsibility to the people of Hawai'i. It does not end with this special session. My concern has always been and remains still the operating and maintenance costs and the need to plan for a multimodal transportation system. Diligence must remain, colleagues. This bill, however, is a significant opportunity to immediately institute changes that will further hold HART and the city accountable. These are a reflection of months, years, of briefings, hearings, and rounds of questioning; and the processes that will be put in place have the ability to yield even stronger protections and levels of accountability. And despite the fact that this is not an unending blank check on the backs of our children, and built in immediate accountability and transparency measures, there are still those who will say, ‘So what?’ What happens if we do nothing? As leaders not only in our communities, representing those in our backyards, but for our state, we must be aware of the consequences of both action and inaction. To do nothing would hurt the very people in our community we are trying to help. Having to return and lose over \$1.5 billion would have damaging impacts felt by our entire state, regardless of which island the project was located. Measures to immediately strengthen accountability and to increase transparency would not be instituted, and the status quo that has plagued us with the same answers will stay in place. Action gives us opportunities, a chance to make real progress toward a sustainable transportation system that protects our environment and conserves energy, a chance to make real

progress on economic equality to ensure that our residents have access to truly affordable housing options and educational and economic opportunities. As leaders, we are tasked with making tough decisions that can bring about this kind of real progress for our people. In doing so, as a state, we have always prided ourselves in how we look out for each other. Those values are reflected in how we support programs and services statewide, not in silos, but rather at the needs of all of our communities. Today, it's rail. We have in the past and will in the future need to rally and support our sisters and brothers on our neighbor islands and beyond. We have a difficult decision before us, but we also have an opportunity to make clear that we do not support a blank check that will be shouldered by our working families and children and will stand up when called upon to make progress toward a more sustainable future while ensuring strict accountability, and I'll be voting ‘yes.’ Thank you.”

Senator Harimoto rose to speak in opposition to the measure as follows:

“So, many people know I have been one of the leading champions of Honolulu's rail project for so many years. I continue to be a strong advocate for rail because I truly believe that the rail project is the future of Honolulu. It is the vision of the future that will transform Honolulu into a great city. It will spur our economy; give us transportation options; and, through transit-oriented development, it will transform underdeveloped and aging neighborhoods into vibrant, livable, walkable, mixed-use, mixed-income communities; and, if done right, it will result in more affordable housing. It is essential for the city to complete the rail line to Ala Moana as planned. Yes, there are significant problems, but we must encourage and support the city to learn from mistakes, address the issues, improve accountability, and persevere.

“That being said, it pains me to stand here today to vote ‘no’ on this bill. I truly wish that I could vote ‘yes,’ but my conscience will not allow me to do so. I find this bill to be not in good public policy. It intrudes into county home rule; it inserts the state into the accountability of a county project; and it introduces unnecessary risks that may lead to the demise of the very rail project that we are trying to support. This bill has us arguing endlessly with the city administration and city council about what is adequate funding to complete the rail system. It pits O'ahu against neighbor islands; we've all heard those arguments. It increases a tax targeting one of the lifebloods of our economy, our visitor industry. It grows state government. It raises legal issues that may result in lawsuits that may halt rail construction once again. There are questions as to whether the Federal Transit Administration will even approve this plan.

“All of these issues could have been avoided if we simply extend the existing county GET surcharge. The GET surcharge is tried and true; we know that this is a reliable source of funding that has already been approved by the FTA. Extending the GET surcharge does not introduce new legal issues and, since this GET surcharge is only paid by O'ahu taxpayers, there is no divisiveness between O'ahu and neighbor islands. But instead, we have chosen to go down the path of using the statewide transient accommodations tax to help fund Honolulu's rail project, which causes a host of significant concerns.

“So, I will not address the issue of funding because that has been covered extensively by the media, but I will address my concerns related to public policy. First, using the GET surcharge is simple, clean, and proven.”

Senator Green interjected:

“Mr. President, a recess please? Point of personal privilege? Mr. President, I don't think it's appropriate to be speaking and moving around the chamber when another person is speaking. I

think we should show them the due respect they have as senators. Thank you, Mr. President. Sorry to interrupt.”

The Chair directed Senator Harimoto to proceed with his remarks.

Senator Harimoto continued:

“So, in Hawai‘i, the state gives only property tax authority to the counties. In many, or perhaps most, other states, cities and counties have broader taxing authority. In 2005, the Legislature authorized the counties to exercise a half-percent GET surcharge. This is clean because it is a county excise tax and monies collected from this tax are county funds. It is paid for by county residents to benefit their own county. Using TAT is entirely another matter. TAT is state money collected in all counties, and therein lies the problem. Neighbor islands don’t want to pay for Honolulu’s rail system, and legislators now are arguing that taxes paid by Honolulu residents have been benefiting neighbor islands. While this may be true, it is important to clarify that state taxes collected from all counties pay for state government functions in all counties. The important difference here is that we are increasing a state tax to pay for a Honolulu county project. The use of statewide taxes for rail is divisive and it is a distraction that we don’t need.

“Second, the FTA requires that Honolulu have a reliable funding source to pay for rail. They previously approved the use of the county GET surcharge. While we received some indications from our congressional delegation that the FTA may approve the use of TAT as this reliable funding source, we have received no commitments from the FTA. This concern arises out of the volatility of the TAT as it is subject to the ups and downs of tourism as visitors react to a highly competitive market, acts of nature, and world events. And if the FTA does approve, perhaps knowing that TAT is more volatile than the GET, they may demand a greater contingency or, perhaps, stricter stress tests to compensate for this more volatile source of funding. And of course, this is all speculation – we just don’t know. And the risk is simply because we don’t know. The FTA will not commit their approval or non-approval in advance.

“Third, the TAT growth rate used in our financial plan appears to be significantly overstated. The Department of Budget and Finance presented us with an annual growth rate of 8 percent for TAT. We heard from the visitor industry that this is not a realistic figure. In an August 24 letter from the State Council on Revenues to our WAM chair, a chart shows that the TAT is estimated to grow 3.8 percent in fiscal year 2018, 3.6 percent in 2019, 3.4 percent in 2020, 3.6 percent in 2021, and 3.1 percent in 2022, and 3 percent beyond that. It was stating that we are using a conservative growth rate of 3 percent for GET as required by the FTA. So why, then, are we using an inflated growth rate of 8 percent for TAT? If the true number really is more to the 3 percent projected by the Council on Revenues, this would result in a significant underfunding of the rail project.

“Fourth, this bill inserts the state into the accountability of a local county project. Right or wrong, the people will now hold the state and legislators accountable for this county project. Yes, there are significant problems with the rail project. We must hold HART, the mayor, and the city council accountable for this Honolulu county project. Inserting the state into this project only diffuses accountability.

“Fifth, the Senate President and the House Speaker will appoint two non-voting members to the HART board. HART was established to keep politics out of rail, and the board composition is established by city charter. State law cannot override city charter, so the only way to implement this provision is for Honolulu voters to approve a charter amendment. The earliest opportunity for this to occur will be in

next year’s election. What will happen if the voters don’t approve? And with the Legislature having two seats on the HART board, might this politicize HART and further frustrate good, sound decision-making of the board?

“Sixth, the county owns the half-percent GET surcharge as authorized by the state. The state simply collects the surcharge and turns it over to the county; the state is a pass-through. This bill would require the state to ‘own’ the county surcharge and retain Honolulu GET surcharge funds in our state coffers and remit to the county only amounts the state authorizes. There are legal concerns with the state taking ownership of these county-enacted tax revenues.

“Seventh, the city must send rail invoices to the state for state review and approval. This bill creates four new state positions at \$500,000 and has \$1 million for an audit.

“So let’s step back, get out of the weeds, and focus on the big policy issues that this bill presents. Number one, the use of the TAT: The issue here is not whether a one-percent increase in TAT will harm our visitor industry or if the hotels can afford it. The argument is not also that O’ahu state taxes are subsidizing neighbor islands. The big policy issue that we should be debating is this: Is it appropriate to increase the TAT, a statewide state tax on one industry, to subsidize a county project? Further, do we want to establish a precedent for the Legislature to use state tax monies generated in all counties to subsidize a specific county project? Or should public policy instead be to continue to give counties taxing authority to fund their own local county projects?

“Number two, state oversight: The issue here is not that the city mismanaged the rail project or that the city’s numbers are unreliable. The big policy issue is this: Should the Legislature insert the state into the accountability of a local county project? Do we want to establish a precedent for the state to be held accountable for a county project? Or should public policy instead be to require greater accountability from HART, the mayor, and the city council for this county project?

“And, finally, number three, risks: For those of us who really want this rail project to be completed and to succeed, do we want a clean, safe, proven solution to the funding issue? Or are we willing to come up with a new solution that introduces significant risks in terms of not knowing if the FTA will approve, potential lawsuits that would cause further delays, and causing divisiveness and further alienating the people from their government?

“It is for these reasons that I must vote ‘no’ on this bill. Thank you.”

At this time, the Chair stated:

“I was asked by the senator from Kona to maintain the decorum in the chamber, so I’m asking you to do that. And, since I’ve been asked to strictly enforce the decorum of these proceedings, I would like to personally apologize to the senator from Kāne’ohe as well as Senator Harimoto for not having asked the senator from Kona to stop having a side discussion with his colleague next to him as you were speaking. And so everyone is on notice that I will be strictly enforcing the decorum for the rest of the discussion, as it has been requested.”

Senator Rhoads rose to request that remarks in support of the measure be entered into the Journal, and the Chair so ordered.

The Chair having so ordered, Senator Rhoads’s remarks read as follows:

“Mr. President, in support of SB 4.

“With all the arguments about how to finance rail, we sometimes forget about what we are actually purchasing. It is a

valuable asset that will allow many thousands of people to avoid the nightmare that the commute from the west side has become. Grade separated rail works just fine in other cities all around the world and the first systems built 100 years are still going strong.

“Yes, \$10 billion is a lot of money, but the system will last for decades if not for a century. If you amortize the costs over 50 years, which is probably too conservative, rail costs \$200 million a year. If you add on operations and maintenance, the total is \$726 million a year including the operations of TheBus and the Handi-Van which currently total \$261 million a year. This is a burden society can bear and which is at least partially offset by financial gains from not sitting in traffic for hours every day.

“To contextualize these numbers, we also must look at the cost of cars. There are 816,000 of them on O’ahu. The American Automobile Association says it costs \$8,698 on average to own a car. This is a national number. If you commute by car on O’ahu (i.e. pay parking), the average is \$11,325 according to the American Public Transit Association. Using the lower number, 816,000 times \$8,698 equals \$7.1 billion every year. This does not include building all the streets and roads to start with.

“The rail Environmental Impact Statement calculated 116,300 daily weekday users. Most of those are round-trippers so the EIS predicted that about 10 percent of the population will use it. The polling that indicated that 71 percent of residents want the rail to go all the way to Ala Moana as planned, had an even more startling finding: 48 percent of O’ahu residents expect to use rail. This is going to be a successful rail system that will improve the lives of all O’ahu residents.”

Senator Green rose to speak in rebuttal as follows:

“So, colleagues, and I hope everyone is listening: Please ask yourselves why we race to spend \$2 billion to solve the rail problem, which should be solved, when we can’t do anything to solve these other questions in hundreds of days here at the Capitol. What is the problem with us debating these issues and getting to the right solution for the next decade? We talked about accountability earlier. At the end of the session, it should be clear, at the last second a 2.75-percent tax increase on TAT was raised with no input from anybody, not even the hotels, as though we should just roll over and do that. Hundreds and hundreds of millions of dollars of asks fell on deaf ears over the years. It was mentioned earlier that there’s an individual dying on the grounds of the Senate and the Capitol. Every day when I go take care of people, I wonder why we don’t have more resources for kids who are overdosing on methamphetamine, on heroin, on prescription pills, and those bills die year after year after year in the committees, and we gloss over it and we say we’re accountable. We’re not accountable! We kill bills and we don’t achieve things here, and then we go back to powerful constituencies – who I respect, who do great work for the State of Hawai‘i – and we rush through answers that will condemn us to years of paralysis politically. And I will not listen to long lists of how we’ve saved people when I’ve seen people die because we haven’t taken action. I have seen opportunities to pass bills that would help protect individuals, to fund programs, and then we come back here and we gloss over it and we get political. We do talking points; we look to the cameras and we say, ‘Oh, we’re accountable.’ We’re not accountable most of the time! Bills die silently most of the time. Major policies die quietly, and then we come here and have the audacity to say, in three days, that we can get this rail thing going and it’s going to be fine and it’s not going to curtail those objectives. That is an abomination to say that, and it is not true. We should take care of people and we shouldn’t hide behind our past committees. We shouldn’t kill bills silently and never schedule them. We should actually look to people who need us – that is why we are

here. And if it means we leave office a day early or a year early or a term early, that is fine. But it is an embarrassment to go back to the people and say we’re doing an accountable process and taking care of the needs of the people. We could do so much more, so much more for people. It’s incredible! We know our public school system needs to be improved. We know we should be a blue-state leader on issues like loan repayment for college. We know that we don’t put real resources into helping people with drug addiction. We know it! And then we come here and we pass in three days a \$2 billion increase. Don’t kid yourselves; don’t kid the people. We could be here for a couple weeks and get this straight. We’re condemning ourselves to a policy position that will have ramifications for years, and we will not be able to help people because of it. So, please, when you cast this vote today, even if you totally support rail, totally want to see it get done, vote ‘no’ on this bill, force the House to come to us and solve the problems, be totally transparent. There was not transparency in the legislation that we were about to vote on at the end of last session; there was not accountability. Audit the heck out of this thing! Make sure the project ends for good people who are building it and fill those jobs, but do not condemn us for the next decades, because then you will not be able to take care of your constituencies, and you’ll look back on this and you will feel very, very badly that you didn’t live up to why we were sent here. Thank you, colleagues.”

The motion was then put by the Chair and carried, S.B. No. 4, entitled: “A BILL FOR AN ACT RELATING TO GOVERNMENT,” having been read throughout and Roll Call vote having been requested, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 16. Noes, 9 (Baker, English, Green, Harimoto, Inouye, Kahele, Riviere, Ruderman, Thielen). Excused, none.

The Chair then thanked the Chair of the Committee on Ways and Means and his staff for their hard work and commitment. The Chair noted that contrary to what had been said, he appreciated how the committee laid out various scenarios in great detail, which had been made available to the public over a month ago. The Chair also thanked colleagues in the House of Representatives for being willing to come back to the table to find a middle ground after the way the Regular Session had ended, as well as the director of budget and finance and others in the administration for assisting both chambers in gathering numbers and information for the members so they could cast their votes.

ADJOURNMENT

At 10:44 a.m., on motion by Senator Espero, seconded by Senator English and carried, the Senate adjourned until 9:30 a.m., Thursday, August 31, 2017.

ATTACHMENT A

Special Session 2017

RAIL TAX SURCHARGE

Table of Contents

2

1. History of project
2. Who is the Honolulu Authority for Rapid Transportation
3. Project costs
4. Project reports and recommendations
5. Possible options for the construction of rail
6. References

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History of project

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How did we get here?

4

Hawaii State Legislature

- ▶ 2006 – Act 247, SLH 2005 granted county surcharge up to 0.5% on the GET to fund county public transportation systems.
 - ▶ Projected cost: \$3.6B
- ▶ 2015 – Legislature and City Council approved an extension of the surcharge through 2027.
 - ▶ Projected costs: \$6.57B
 - ▶ Five-year extension of the GET (2022-2027) was anticipated to yield \$1.2B in additional funds.
- ▶ 2017 – the City sought an GET extension via SB1183.
 - ▶ Projected costs: \$8.2B
 - ▶ Includes contingency funds
 - ▶ Excludes debt service (\$10B projected cost with rail financing)

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Charter Amendments voted on by Oahu residents

5

- ▶ 2008 Charter Amendment: "Shall the powers, duties and functions of the city, through its director of transportation services include the establishment of a steel wheel on steel rail transit system?"
 - The vote was: Yes: 52.6% No: 47.4%
- ▶ 2010 Charter Amendment: "Shall the Revised City Charter be amended to create a semi-autonomous public transit authority responsible for the planning, construction, operation, maintenance, and expansion of the City's fixed guideway mass transit system?"
 - The vote was: Yes: 68.6% No: 31.4%
- ▶ 2016 Charter Amendment: "Should a unified multi-modal transportation system be created?"
 - The vote was: Yes: 69% No: 32%

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Collection of funds to date

6

GET Surcharge

- ▶ Projected revenue totals \$5.2B from the inception of the surcharge on January 1, 2007, through the current sunset date of December 31, 2027.
- ▶ As of July 31, 2017 – HART has received **\$1.98 billion** from the GET surcharge.

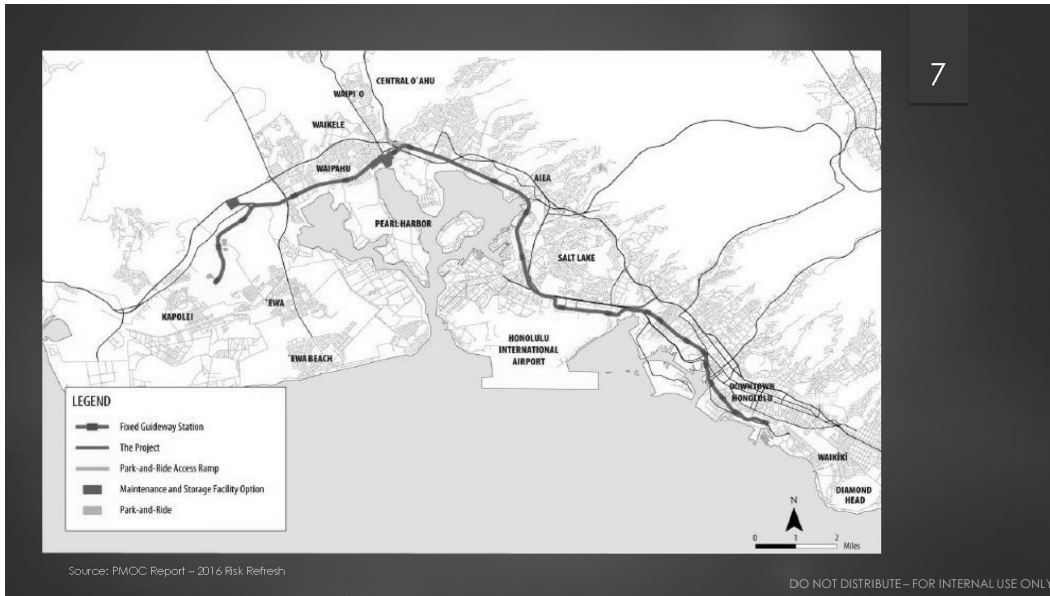
Federal Funds

- ▶ \$1.55B federal Full Funding Grant Agreement (FFGA) approved in 2012 to pay for the construction of Honolulu's rail project.
- ▶ FTA has obligated **\$806 million** – HART has a drawdown on \$794.3 million through July 18, 2017.
- ▶ Remaining obligation: \$743.7 million

Source: Honolulu Authority for Rapid Transportation

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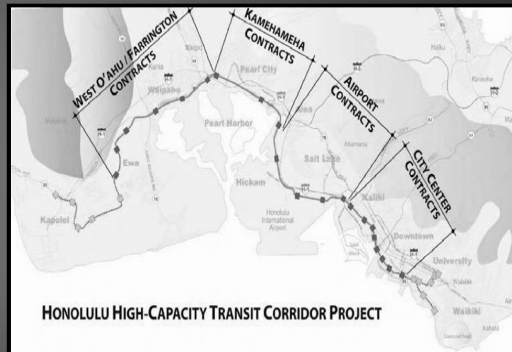
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7

Phases of Construction

- ▶ Segment I (West Oahu/Farrington Hwy)
 - ▶ E. Kapolei to Pearl Highlands (7 miles/6 stations)
- ▶ Segment II (Kamehameha Hwy)
 - ▶ Pearl Highlands to Aloha Stadium (4 miles/3 stations)
- ▶ Segment III (Airport)
 - ▶ Aloha Stadium to Middle Street (5 miles/4 stations)
- ▶ Segment IV (City Center)
 - ▶ Middle Street to Ala Moana Center (4 miles/8 stations)



8

Source: PMOC Report – 2016 Risk Refresh

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Major project delays

- ▶ \$172M in legal delay costs related to:
 - Notice to Proceed
 - Archaeological Inventory Survey
 - Traditional Cultural Property have incurred
- ▶ The West Oahu/Farrington Highway Guideway section incurred a total delay of 23.5 months and \$107M in costs
- ▶ Protests by unsuccessful vendors over the Design-Build-Operate-Maintain contract resulted in a 9-month delay in awarding the contract and a \$8.7M settlement of delay claims
- ▶ "Premature" notice to proceed on contracts

9

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Other costs related to construction

10

- ▶ Change Orders
 - HART Board approved nearly \$15M in additional change orders in March 2017 to help cover changes of prematurely awarded construction contracts.
 - \$65M unresolved change orders Kiewit
 - HART has already approved more than \$284M in change orders to Kiewit, including \$57M in 2014.
 - \$27M for Ansaldo in change orders
- ▶ HART Administration/Staff
 - **\$22.9 million**
 - Eminent Domain (cost of acquiring parcels along rail route)
- ▶ Contingency - \$1.1B in allocated and unallocated contingency
 - The FFGA included \$644M in allocated and unallocated contingency

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Who is HART?

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Who is the Honolulu Authority for Rapid Transportation (HART)?

12

- ▶ HART is responsible for the planning, construction and expansion of the Honolulu Rail transit project.
- ▶ Semi-autonomous agency established on July 1, 2011 through an amendment to the Revised Charter of the City and County of Honolulu.
- ▶ KRISHNIAH N. MURTHY, P.E., F. ASCE, Interim Executive Director of HART. (Term December 5, 2016 to September, 2017)
- ▶ ANDREW ROBBINS – new executive director to start in September, 2017.
- ▶ HART is governed by a 10-member volunteer Board of Directors, serving five-year staggered terms.

Source: Honolulu Authority for Rapid Transportation

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HART Board of Directors

13



Damien Kim
Chair



Terrence Lee
Vice-Chair



John Henry
Felix



Wes Fryszlacki



Ford
Fuchigami



Terri Fujii



Glenn M.
Nohara



Ember Shinn



Kathy
Sokugawa



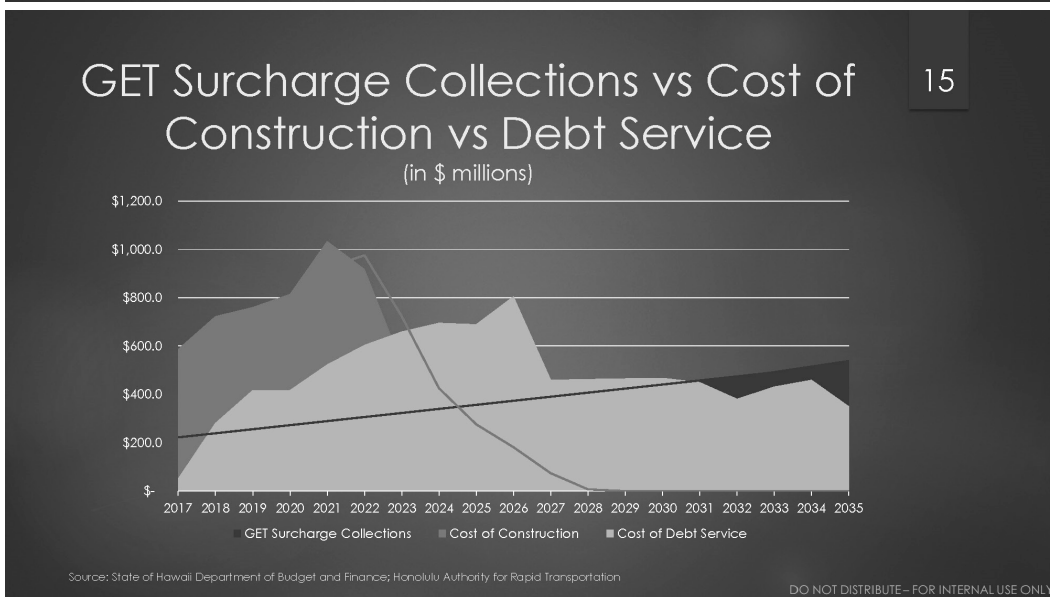
Hoyt H. Zia

Source: Honolulu Authority for Rapid Transportation

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Project costs

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Estimated cost for completion

16

Contract Summary Status	Estimate at Completion
Active Contracts (includes allocated contingency)	\$ 4,129,313,000
Unawarded Construction (includes allocated contingency)	\$ 1,928,548,000
Staff and Consultants (includes allocated contingency)	\$ 1,286,632,000
Completed Contracts	\$ 546,950,000
Unallocated Contingency	\$ 273,641,000
Total Capital Project (excludes financing costs)	\$ 8,165,084,000

Cost and Percentage Completion of Major Contracts Awarded:

- ▶ West Oahu/Farrington Highway Guideway (\$662M, 97.1%); Kamehameha Highway Guideway (\$82M, 88.9%); Maintenance and Storage Facility (\$274M, 100%); Core Systems (\$601M, 43.0%); and Airport Section Guideway and Stations Group (\$875M, 5.0%).
- ▶ **HART currently has over \$4.27B in either completed or awarded contracts**, which include 15.9 of the 20.1 miles of guideway and 13 of the 21 stations.
- ▶ The Project plans to procure the City Center Section Guideway and Station Group Design-Build (CCGS) package and the Pearl Highlands Garage and Transit Center (PHGT) DB package in 2018.

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Project reports and recommendations

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Porter & Associates, Inc. Report

Jan. 2012 and Sept. 2012

18

- ▶ The Project will require an additional \$80.6 million in operating subsidies in its first full year of operation (2020).
- ▶ The City would need to achieve a lower rate of growth in non-transit uses of General Fund and Highway Fund revenues.
- ▶ Stress tests determined that the City would have the financial capacity to withstand a 10% increase in Project cost, and a lower rate of growth in GET surcharge revenues.
- ▶ Tests indicated that the City could incur an additional debt obligation of \$373.2M, and may need to fund between \$70.9M and \$123.1M in rail operating and capital costs that would need to be satisfied from other, non-Project revenues available to the City.

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Project Management Oversight Contractor Report

2016 Risk Refresh Report

19

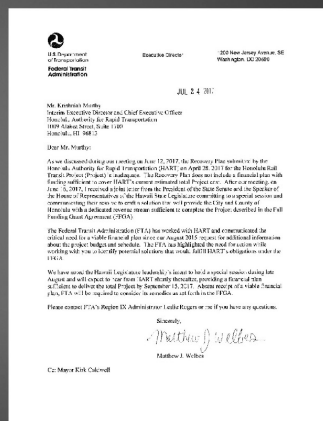
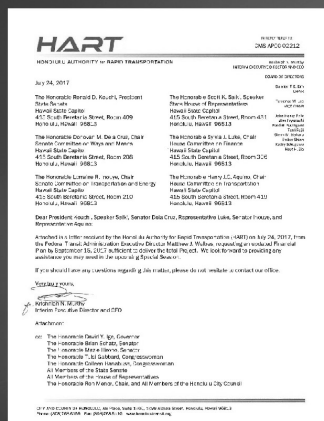
- ▶ Jacobs Engineering Group, Inc. was assigned by the FTA in 2009 to monitor the Project and provide "information and well-grounded professional opinions regarding the reliability of the project scope, cost, and schedule".
- ▶ Lack of attention on risk, cost containment and management of the project.
- ▶ Poor management of the design build contracts.
- ▶ Lack of technical capability on staff.

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Federal Transit Administration

Requesting a financial plan by September 15th

20



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Possible options for rail construction

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Areas of common ground

22

- ▶ Lands acquired by City (parcels sitting vacant/inactive)
- ▶ HART administration costs (\$22M) to be paid for by the City –not out of the GET surcharge
- ▶ Limit how much can be spent on marketing
- ▶ Consider prohibiting City from billing departments (i.e. Corp Counsel)
- ▶ Reduce the State's administrative fee to 1%
- ▶ Tax Foundation lawsuit on 10% administration fee – use future allocations to payback
- ▶ Possibility of drawdown method of disbursing funds

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Conference Draft: SB1183 SD2 HD2 CD1

23

- ▶ GET Surcharge sunsets in 2027**
- ▶ 12% TAT (Increase of 2.75%) from 2018-2027
- ▶ Requiring TAT and Surcharge funds to be spent on capital costs of a mass transit project (not operating or administrative costs)
- ▶ State Administration fee for TAT decreases from 10% to 1%
- ▶ Allocate \$50M to the New Start Education Fund from 2018-2027
- ▶ Decreasing TAT allocation to counties from \$103M to \$93M from 2018-2027
- ▶ Honolulu's portion of TAT allocation (\$13M = 44.1%) must go to fund rail from 2018-2027
- ▶ Prohibits the use of public funds for reconstruction or redevelopment of an event venue for counties already collecting GET surcharge for a mass transit project

2.75% Increase of Statewide TAT	\$ 2,282,940,086
44.1% share of Honolulu TAT	\$ 130,000,000
New Start Education Fund	\$ (500,000,000)
Total (2027):	\$ 1,912,940,086

**Current projections already include GET surcharge until sunset 2027. This chart shows potential identified revenue sources.

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House Position: SB1183 SD2 HD2 HCD2 FA6

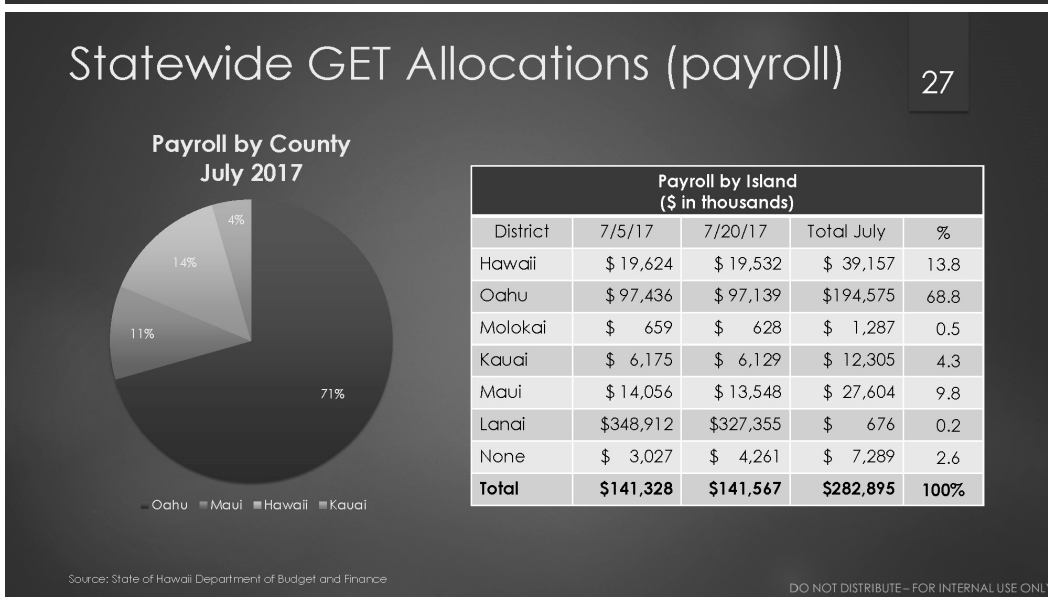
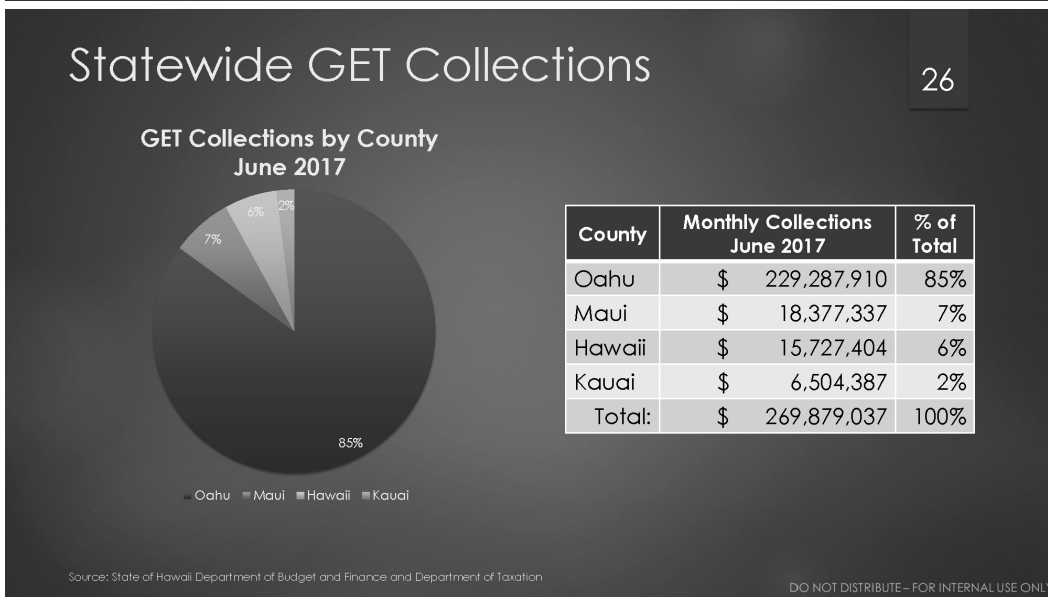
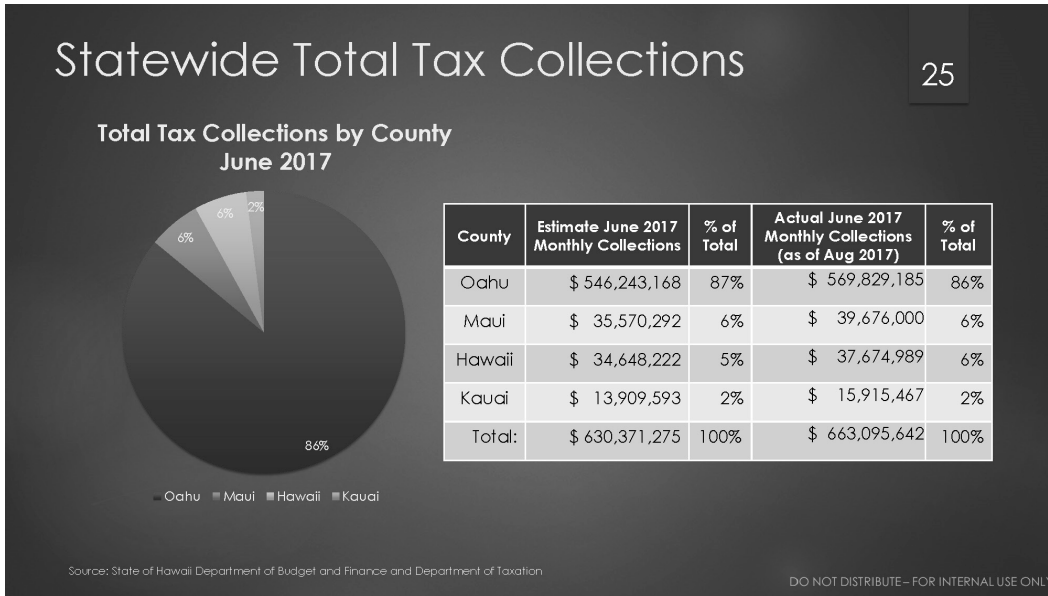
24

- ▶ Extend GET Surcharge to 2028
- ▶ Increase TAT 1% from 2018-2028
- ▶ Requiring TAT and Surcharge funds to be spent on capital costs of a mass transit project (not operating or administrative costs)
- ▶ State Administration fee for TAT decreases from 10% to 1%
- ▶ Allocate \$25M to the New Start Education Fund from 2018-2028
- ▶ Increasing TAT allocation to counties to \$103M from \$93 M from 2018-2028
- ▶ Prohibits the use of public funds for reconstruction or redevelopment of an event venue for counties already collecting GET surcharge for a mass transit project

Surcharge <u>Oahu Only</u> 99% of GET	\$ 398,697,478
1% of statewide TAT	\$ 958,301,113
New Start Education Fund	\$ (250,000,000)
Total (2028):	\$ 1,106,998,591

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Monthly County GET Collections FY2016 – 2017

28

	OAHU	%	MAUI	%	HAWAII	%	KAUAI	%	STATEWIDE
2017 June	\$ 229,287,910	85%	\$ 18,377,337	7%	\$ 15,727,404	6%	\$ 6,504,387	2%	\$ 269,897,037
May	\$ 229,820,483	84%	\$ 19,361,208	7%	\$ 16,225,993	6%	\$ 7,306,991	3%	\$ 272,714,675
April	\$ 235,759,799	84%	\$ 19,519,475	7%	\$ 17,112,098	6%	\$ 7,226,394	3%	\$ 279,617,765
March	\$ 212,838,964	83%	\$ 19,232,727	8%	\$ 16,884,613	7%	\$ 6,814,523	3%	\$ 255,770,826
February	\$ 235,504,209	84%	\$ 19,490,791	7%	\$ 18,094,736	6%	\$ 7,971,734	3%	\$ 281,061,469
January	\$ 253,464,621	86%	\$ 18,195,464	6%	\$ 16,434,478	6%	\$ 6,966,207	2%	\$ 295,060,770
2016 December	\$ 207,938,849	85%	\$ 17,237,981	7%	\$ 13,944,644	6%	\$ 6,036,753	2%	\$ 245,158,227
November	\$ 225,815,226	86%	\$ 15,459,057	6%	\$ 13,826,915	5%	\$ 6,153,243	2%	\$ 261,254,440
October	\$ 235,304,830	85%	\$ 18,864,787	7%	\$ 15,957,558	6%	\$ 7,448,228	3%	\$ 277,575,402
September	\$ 235,607,026	86%	\$ 16,847,111	6%	\$ 15,243,767	6%	\$ 7,299,440	3%	\$ 274,997,344
August	\$ 241,193,056	90%	\$ 15,238,687	6%	\$ 5,054,933	2%	\$ 6,960,066	3%	\$ 268,446,743
July	\$ 225,834,415	88%	\$ 6,827,203	3%	\$ 17,327,700	7%	\$ 7,681,277	3%	\$ 257,670,596
TOTAL FY17	\$2,768,369,387	85%	\$204,651,826	6%	\$181,834,839	6%	\$84,369,242	3%	\$3,239,225,294

Source: State of Hawaii Department of Budget and Finance and Department of Taxation

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Monthly County TAT Collections FY2016 – 2017

29

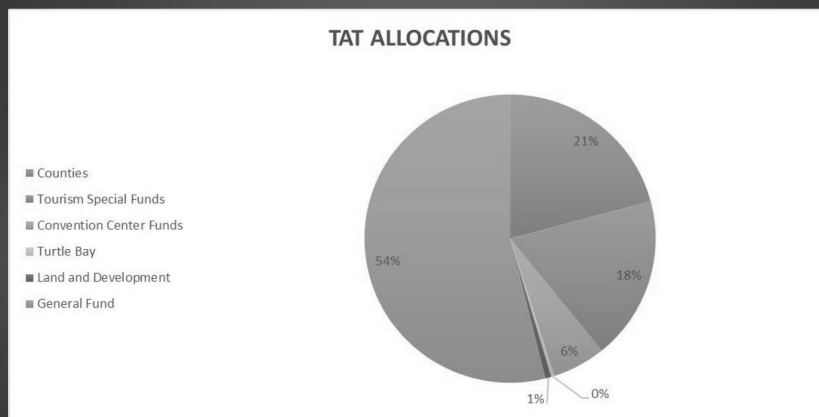
	OAHU	%	MAUI	%	HAWAII	%	KAUAI	%	STATEWIDE
2017 June	\$ 26,602,805	75%	\$ 3,831,712	11%	\$ 2,738,122	8%	\$ 1,954,127	6%	\$ 35,126,766
May	\$ 33,531,021	77%	\$ 4,669,467	11%	\$ 3,356,994	8%	\$ 2,240,040	5%	\$ 43,797,522
April	\$ 29,753,496	73%	\$ 4,993,989	12%	\$ 3,782,475	9%	\$ 2,119,114	5%	\$ 40,649,074
March	\$ 31,455,485	75%	\$ 4,843,511	12%	\$ 3,654,454	9%	\$ 2,038,663	5%	\$ 41,992,113
February	\$ 38,668,517	76%	\$ 5,295,453	10%	\$ 4,289,785	8%	\$ 2,796,437	5%	\$ 51,050,192
January	\$ 36,008,613	77%	\$ 4,611,520	10%	\$ 3,362,353	7%	\$ 2,586,243	6%	\$ 46,568,729
2016 December	\$ 24,176,733	78%	\$ 3,323,893	11%	\$ 2,092,990	7%	\$ 1,601,212	5%	\$ 31,194,828
November	\$ 25,858,142	79%	\$ 3,127,132	10%	\$ 1,982,008	6%	\$ 1,815,875	6%	\$ 32,783,156
October	\$ 28,869,931	81%	\$ 2,616,844	7%	\$ 2,272,422	6%	\$ 1,784,129	5%	\$ 35,543,327
September	\$ 32,149,967	81%	\$ 3,042,120	8%	\$ 2,424,324	6%	\$ 2,232,205	6%	\$ 39,848,616
August	\$ 67,643,459	98%	\$ 2,620,279	4%	\$ (3,129,130)	-5%	\$ 1,989,682	3%	\$ 69,124,290
July	\$ 50,658,531	125%	\$ (9,488,553)	-23%	\$ (2,477,686)	-6%	\$ 1,986,277	5%	\$ 40,678,568
TOTAL FY17	\$ 365,242,874	85%	\$ 24,986,188	6%	\$ 18,253,994	4%	\$ 20,949,838	5%	\$ 429,432,893

Source: State of Hawaii Department of Budget and Finance and Department of Taxation

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Statewide TAT allocations

30



Source: State of Hawaii Department of Budget and Finance

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County TAT Collections and Allocations

31

**TAT COLLECTIONS
JUNE 2017**

Oahu Maui Hawaii Kauai

County	Distribution (HRS 237-D)	% of \$103M (FY15-17)	% of \$93M (FY18)	June Visitor Arrivals
Oahu	44.1%	\$45.4M	\$41.0M	514,791
Maui	22.8%	\$23.5M	\$21.2M	261,769
Hawaii	18.6%	\$19.2M	\$17.9M	157,303
Kauai	14.5%	\$14.9M	\$13.5M	124,130

Source: UHERO, Mak 2016

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Statewide TAT increases

32

TAT Rate Changes and Effective Dates, 1987-Current	
Effect Date	Rate
January 1, 1987	5.0%
July 1, 1994	6.0%
January 1, 1999	7.25%
July 1, 2009	8.25%
July 1, 2010	9.25%

Source: The Auditor, State of Hawaii, 2015

"I would like to confirm that the increase in TAT tax rate over the past thirty years had no visible significant effect on the growth in the number of visitor arrivals to Hawaii based on the data I observed over many years I worked for the State of Hawaii as Chief of DBEDT Economic Research Program as well as Tax Research and Planning Officer..."

I would like to note that ever since I worked as the principal technical staff of the Council on Revenues, members of Council on Revenues have not really changed their forecasts whenever the State increased the TAT rate from 6% to 7.25% to 9.25%. The Council on Revenues, in their forecast reports after each meeting, have never mentioned the impact of TAT rate on the number of visitor arrivals."

-Dr. Tu Duc Pham, Former DBEDT Chief Economic Research Branch and Tax Research and Planning Officer

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TAT Historical Growth Statewide (2006 - 2016)

33

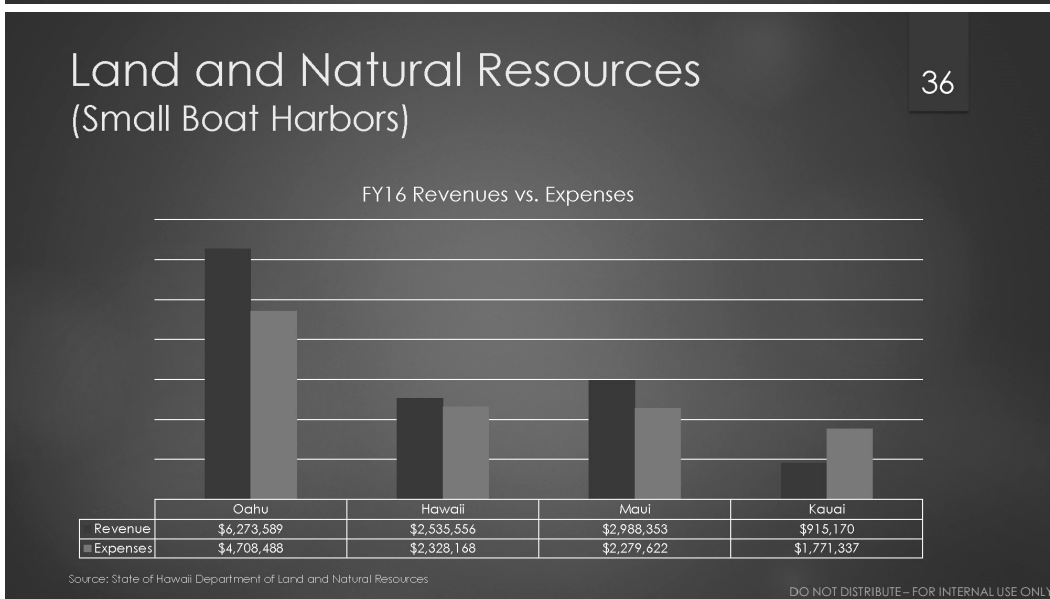
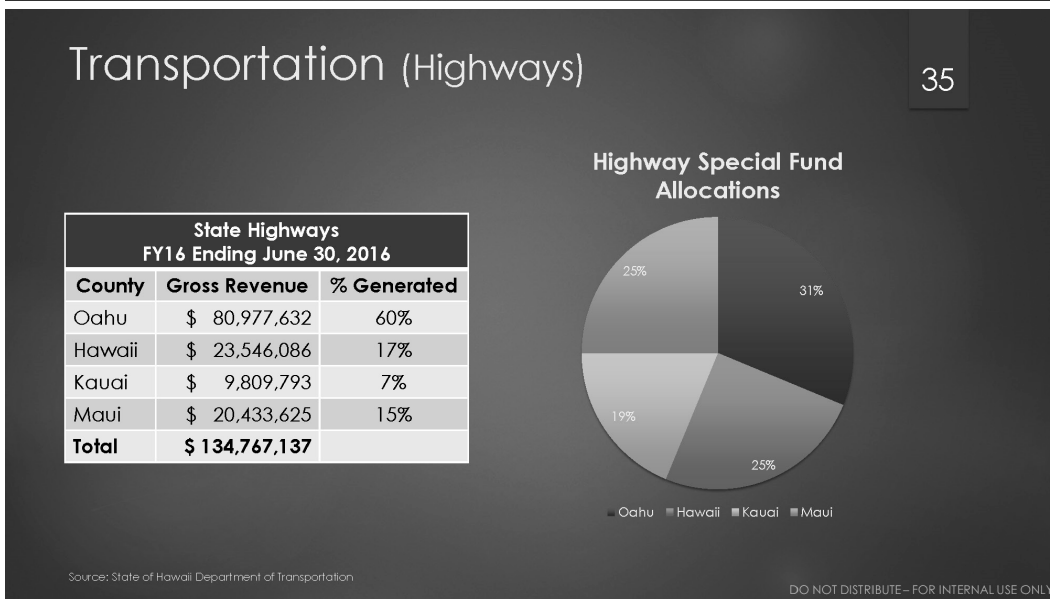
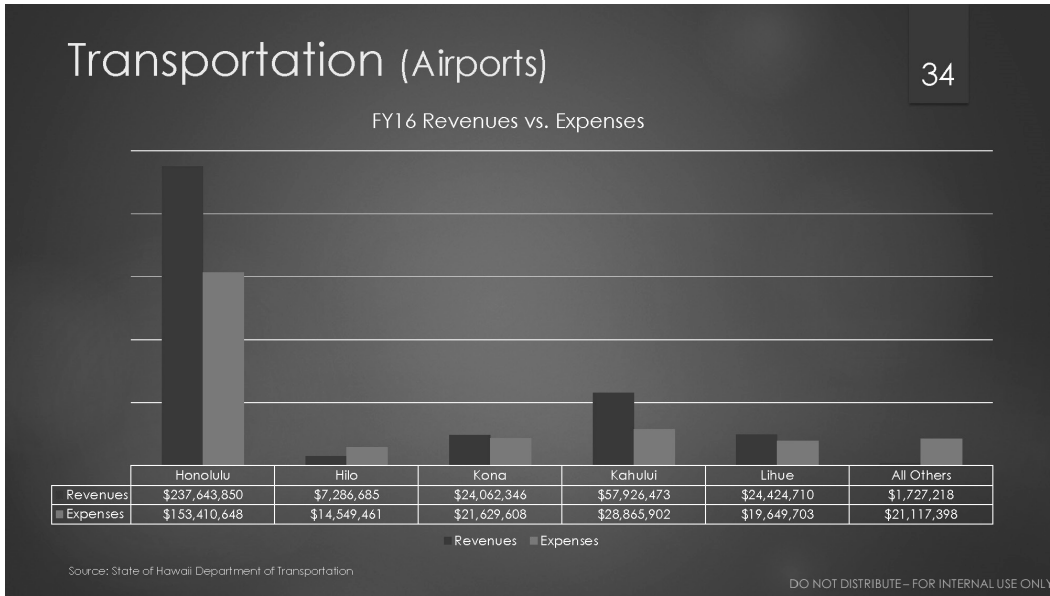
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
TAT Total Revenues	\$ 446,794	\$420,981	\$395,242	\$368,576	\$323,950	\$284,472	\$224,250	\$210,622	\$229,388	\$224,942	\$217,008
% change	6.13%	6.51%	7.23%	13.78%	13.88%	26.85%	6.47%	-8.18%	1.98%	3.66%	

- Per B&F, 29 year average growth rate since inception in 1987 is 8.36%. Last 10-year average, including Great Recession, is 8.52%.
- The tax rate has increased incrementally from 7.25% to 9.25% over the course of the last 10 years.

Source: State of Hawaii Department of Budget and Finance

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ATTACHMENT A



ATTACHMENT A

Human Services (Medicaid, General Assistance, Homeless)

37

	OAHU		HAWAII		MAUI		KAUAI		TOTAL	
	# served	FY17 Expenditures	# served	FY17 Expenditures	# served	FY17 Expenditures	# served	FY17 Expenditures	# served	FY17 Expenditures
Medicaid	219,551	N/A	75,742	N/A	45,192	N/A	21,444	N/A	361,929	\$2,384,583,787
General Assistance (cash for individuals) June 2017	3,523	\$14,302,680	1,1421	\$5,861,992	478	\$1,925,890	230	\$939,981	5,652	\$23,030,543
TANF/TAONF (cash for families) June 2017	3,339	\$22,534,029	1,583	\$11,112,969	574	\$3,837,137	254	\$1,592,113	5,750	\$39,076,248
SNAP (food stamps) June 2017	94,998	\$272,189,423	44,043	\$56,740,229	19,449	\$129,927,269	8,433	\$24,207,079	166,923	\$483,064,000
Homeless Services-Programs April 2017	10,927	\$7,454,133	1,689	\$1,809,890	2,411	\$1,612,053	982	\$239,298	16,009	\$11,115,374

* Expenditures are FY17 totals.
* # served is point in time recipient counts

Source: State of Hawaii Department of Human Services

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Health (Ambulance Services)

38

COUNTY / PROVIDER	FY 2016 BUDGET	FY 2017 BUDGET
City and County of Honolulu ▪ Honolulu Emergency Services Department	\$35,469,408	\$37,056,261
County of Hawaii ▪ Fire Department	\$15,842,705	\$16,536,274
County of Kauai ▪ American Medical Response ▪ Kauai Police Department	\$5,956,100	\$6,199,839
County of Maui ▪ American Medical Response ▪ Maui Police Department	\$15,637,059	\$16,288,579
TOTAL for Four (4) Counties	\$72,905,272	\$76,080,954

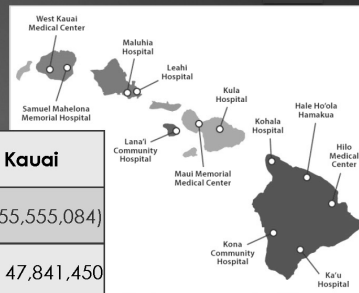
*Includes General Funds, Special Funds and Trust Funds

Source: State of Hawaii Department of Health

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Hawaii Health Systems Corporation (Hospitals)

39



HHSC Hospitals	Oahu	Hawaii	Maui	Kauai
Operating Expenses	\$(39,448,714)	\$(321,965,185)	\$(307,804,762)	\$(55,555,084)
Operating Revenues	\$ 29,586,379	\$ 273,188,711	\$ 257,083,384	\$ 47,841,450
General Fund Apprn.	\$ 12,154,000	\$ 45,652,000	\$ 36,796,000	\$ 11,338,000
Total	\$ 2,291,665	\$ (3,124,474)	\$ (13,925,378)	\$ 3,624,366

Source: Hawaii Health Systems Corporation

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ATTACHMENT A

Education (Operating and CIP) 40

COUNTY	SY16-17 Enrollment	% Enrollment	FY17 General Fund Expenditures	% of Total Expenditures	CAPITAL IMPROVEMENT PROJECTS			
					FY16 (\$ 000s)	% of Total (FY16)	FY17 (\$ in 000s)	% of Total (FY17)
OAHU - 168 schools (119 elementary, 27 middle, 19 high, 3 other)	121,488	67.53%	\$ 890,686,820	58%	\$73,057	25.38%	\$147,364	43.79%**
HAWAII - 41 schools (22 elementary, 8 middle, 6 high, 5 other)	26,812	14.90%	\$ 184,854,474	12%	\$7,860	2.73%	\$17,646	5.24%
MAUI - 31 schools (18 elementary, 6 middle, 5 high, 2 other)	9,756	5.42%	\$ 155,073,739	10%	\$1,500	0.52%	\$1,590	0.47%
KAUAI - 16 schools (9 elementary, 3 middle, 3 high, 1 other)	21,846	12.14%	\$ 72,272,459	5%	\$23,177	8.05%	\$45,620	13.56%
STATEWIDE CENTRALIZED EXPENSES*			\$ 236,777,406	15%	\$182,314	63.32%	\$124,305	36.94%
TOTAL	179,902	100.00%	\$ 1,539,664,899	100%	\$287,908		\$336,525	

*Those funds expended by a state level office, for school level costs like Utilities or Food Services are reflected as "Centralized Expenses," because EDN financial systems record those charges by the office (ex. OSFSS-Auxiliary Services Branch) that made the payment and not the school(s) receiving the funds.
**Several large cost items were put in the FY17 budget (new schools, etc.)


Source: State of Hawaii Department of Education

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- ## Possible project options 41
- ▶ Option A: Stop at Middle Street
 - ▶ Option B: Stop Downtown at Aloha Tower
 - ▶ Option C: Complete to Ala Moana
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- ## Option A: Stop at Middle Street 42
- ▶ No extension on GET surcharge needed (legislature would not need to convene a Special Session)
 - ▶ Current date (2027) provides funding to build to Middle Street
 - Note that funding would include the release of the second obligation of \$743.7 under FFGA (which has not yet been released)
 - ▶ FFGA funds might need to be paid back to FTA
 - City would need to figure out how to make up \$1.55B funding gap
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ATTACHMENT A

ATTACHMENT 2

 HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

43

WHAT IF WE WERE TO STOP NOW?	
TOTAL DOLLARS SPENT TO-DATE (JANUARY 2017)	\$2,649 million
REPAY FTA FOR FFGA FUNDS DRAWN TO-DATE	\$712 million
RETURN REMAINDER OF FTA GRANT	\$838 million
REMAINING CONTRACT OBLIGATIONS	\$150 million
EXISTING CONTRACTS TERMINATION EXPOSURE TO CLAIMS	\$1,806 million
REMOVAL & DISPOSAL OF EXISTING STRUCTURES	\$250 million
DEFAULT ON FULL FUNDING GRANT	Negative Standing with Federal Government for Decades
CITY EXPOSURE	Exposure to Lawsuits from Developers and Investors with Developments Near the Rail Alignment

H O N O L U L U R A I L T R A N S I T P R O J E C T
 24-Hour Project Hotline (808) 566-2299 www.HonoluluTransit.org

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44

Option B: Stop at Aloha Tower

- ▶ Total Estimated Project Cost = \$6.8B
 - Includes estimated financing = \$468M
- ▶ Need to cut the final 3 planned stations (Civic Center, Kakaako, Ala Moana)
- ▶ Estimated weekly ridership by 2030 = 91,000 (25% decrease in ridership)
- ▶ FFGA funds might need to be paid back to FTA
 - City would need to figure out how to make up \$1.55B funding gap
- ▶ Need supplemental EIS
- ▶ Need modification to Record of Decision (ROD)
- ▶ Passenger transfers to TheBus or TheHandi-Van were not evaluated in the EIS
- ▶ Specific site impacts to the Aloha Tower Station (construction of the stub Y track to reverse train direction; need of bus transfer facility)
- ▶ Public-Private Partnerships (w/ enabling legislation) could assist with project costs continuing on to:
 - Civic Center, Kakaako, Ala Moana

Source: Honolulu Authority for Rapid Transportation

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45

Option C: Complete to Ala Moana

- ▶ Total Estimated Project Cost = \$9.6B
 - Includes estimated financing = \$1.4B (would be less if use additional sources of funding in combination w/ GET)
- ▶ Estimated daily ridership by 2030 = 121,000
- ▶ Receive the remaining FFGA obligation of \$743.7M
- ▶ Possible options for funding the remainder of the project:
 - Option #1: Extend Oahu GET Surcharge only
 - Option #2: Increase Oahu GET Surcharge
 - Option #3: Extend Oahu GET Surcharge + Oahu TAT increase
 - Option #4: Extend Oahu GET Surcharge + Statewide TAT increase
 - Option #5: Statewide GET surcharge + Statewide TAT increase
- ▶ Impose conditions on funds

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ATTACHMENT A

Possible Conditions

46

- ▶ **Forensic Audit**
 - A forensic audit could be conducted and forwarded to the City Council for its review and evaluation to include, but not limited to, project controls, management and cost containment; review and justification of change orders; amount of contingencies and its drawdowns; administrative cost to operate HART.
 - Provided that The Mayor of the City and County of Honolulu and HART submit to the City Council by the end of 2017 for its review and evaluation.
- ▶ **Public-Private Partnerships** at stations to assist with project costs (need enabling legislation)
- ▶ **State Match County Funds**
 - The State will provide (X) amount to be matched by the City.
 - If the City cannot provide the matching dollars upfront, the State is not obligated to fund the project.

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Methods of Disbursement

47

- ▶ Drawdown method options:
 - Straight reimbursement of receipts; or
 - Grant-in-Aid; or
 - Special Loan Fund

By limiting the use of the funds for the rail project the legislature will be free from the fiduciary obligations which belongs to the city because it is a city project. The option is to limit the use of the funds to the cost of new construction related to the erection and installation of the rail only excluding debt service, administrative costs, operating costs, engineering and or contracted architectural and engineering services costs.

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Drawdown Options

48

- ▶ Currently the State transfers the amount generated from the surcharge to the City quarterly with no oversight on how HART spends the funds.
- ▶ Under a drawdown process, the City would submit its invoices for payment to the State (i.e. BUF or AGS) for review and approval.
- ▶ The excess of the funds generated (through which ever option is agreed upon) would remain in the State's General Fund.

Grant-In-Aid

- ▶ City would have to provide their plans, financial information including a budget, responsibilities for State approval to be able to receive funding from the State. This including infrastructure relocation, cost of paying for real property and its location.
- ▶ If the conditions that are spelled out in the grant are not met the City will not receive funds.

Special Loan Fund

- ▶ Similar to Grant-in-Aid. Difference is if the conditions that are imposed by the State and not met the City will have to repay the State.
- ▶ The loan program will be evaluated and funds by stages or milestones will be dispersed by the State.

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ATTACHMENT A

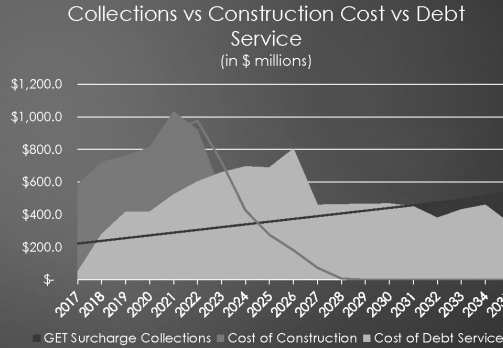
Option #1: Extend GET Surcharge

49

GET extension would be for an additional 7 years but ends up costing the project more because of the financing debt.

2034	
GET extension (over 2027)	\$2,987,200,328
Deficit	(\$2,588,823,281)
Excess	\$398,377,047
Financing Cost*	\$1,399,000,000

*estimate based on HART data



Source: State of Hawaii Department of Budget and Finance

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Option #2: Increase GET Surcharge

50

2031	
99% GET Surcharge at 0.65%	
2018	\$ 37,342,886
2019	\$ 80,485,590
2020	\$ 84,107,441
2021	\$ 87,892,276
2022	\$ 91,847,428
2023	\$ 95,980,563
2024	\$ 100,299,688
2025	\$ 104,813,174
2026	\$ 109,529,767
2027	\$ 114,458,606
2028	\$ 518,306,722
2029	\$ 541,630,524
2030	\$ 566,003,898
2031	\$ 591,474,073

Current projections already include 0.5% surcharge until FY2027. An increase in the surcharge would bring in additional revenue equal to 0.15% until 2027.

An extension of the surcharge, beyond 2027, would include the full 0.65% in revenue.

2031	
GET surcharge increase	\$3,214,172,636
Deficit	(\$2,588,823,281)
Excess	\$535,349,355

Source: State of Hawaii Department of Budget and Finance

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Option #3: Oahu GET + Oahu TAT

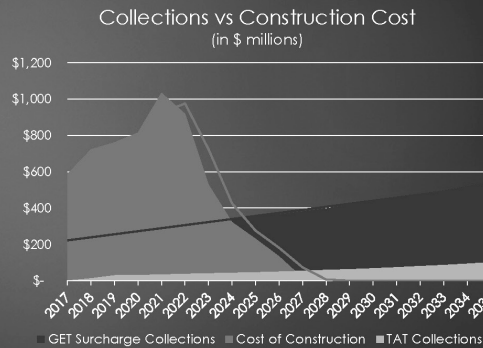
51

99% Oahu GET Surcharge + 1% Oahu TAT Increase

*Any amount in excess of the \$2.59B deficit will remain in the general fund or designated elsewhere.

2032	
GET extension (over 2027)	\$2,048,498,010
1% Oahu TAT	\$729,261,720
Total	\$2,777,759,730
Deficit	(\$2,588,823,281)
Excess	\$188,936,449
Financing Cost Savings*	\$100 - 200M

*estimate based on HART data



Source: State of Hawaii Department of Budget and Finance

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ATTACHMENT A

Descriptions (Including Assumptions) *Executive Summary of Potential Funding for Rail provided by Budget and Finance	Worksheet 1 GET Oahu Only & TAT All Islands	Worksheet 2 GET & TAT All Islands 52
GET Growth Rate (Per Department of Taxation)	4.5%	4.5%
TAT Growth Rate (Variable rate for Worksheet 2 determined by Department of Taxation based on Council on Revenue projections)	8%	8%
Total Project Costs (Based on HART's May 26, 2017 Financial Projection: Breakeven Analysis Schedule)	\$8.165 billion	\$8.165 billion
Total Bond Financing Costs (Based on HART's financing schedule)	\$1.399 billion	\$1.399 billion
Adjustment for \$21 million per year of revenues for Rail operations through financing period	\$(294 million)	\$(231 million)
Total Project & Financing Costs & Adjustment	\$9.270 billion	\$9.333 billion
Total GET Tax Collections 1/1/2007 – 6/30/2017 (June 2017 estimated based on average of previous 11 months)	\$1.981 billion	\$1.981 billion
Total Projected GET Extension Revenues 7/1/2017 – 6/30/2027	\$3.143 billion	\$4.440 billion
Total Federal Grant	\$1.55 billion	\$1.55 billion
Total Other Sources (Based on HART's May 26, 2017 Financial Projection: Breakeven Analysis Schedule)	\$7 million	\$7million
Total Tax Revenues, Federal Grant & Other Sources	\$ 6.68 billion	\$ 7.98 billion
TARGETED FUNDING SHORTFALL	\$2.59 billion	\$1.35 billion

Source: State of Hawaii Department of Budget and Finance DO NOT DISTRIBUTE – FOR INTERNAL USE ONLY

Option #4: Oahu GET + Statewide TAT 53

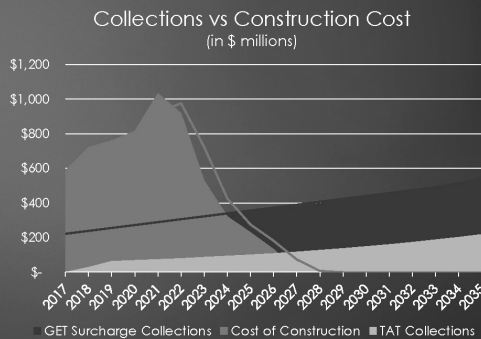
99% Oahu GET Surcharge + 1% Statewide TAT Increase

*Any amount in excess of the \$2.59B deficit will remain in the general fund or designated elsewhere.

2031	
99% GET Extension (over 2027)	\$1,705,704,013
1% Statewide TAT	\$1,407,578,097
Total	\$3,113,282,111
Deficit	(\$2,588,823,281)
Excess	\$524,458,830
Financing Cost Savings*	\$100 – 200M

*estimate based on HART data

Source: State of Hawaii Department of Budget and Finance



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Option #5: Statewide GET Surcharge + Statewide TAT 54

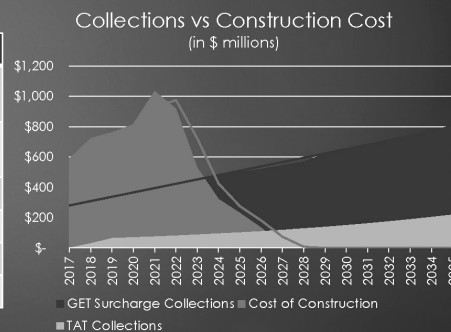
99% Statewide GET Surcharge + 1% Statewide TAT Increase

*Any amount in excess of the \$2.59B deficit will remain in the general fund or designated elsewhere.

2028	
99% Statewide GET Extension (2028)	\$ 569,567,826
1% Statewide TAT (2018-2028)	\$ 958,301,113
Total	\$ 1,527,868,939
Deficit	\$(1,354,232,749)
Excess	\$ 173,636,190
Financing Cost Savings*	\$100 – 200M

*estimate based on HART data

Source: State of Hawaii Department of Budget and Finance



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ATTACHMENT A

0.5% Surcharge

55

YEAR	OAHU (\$ millions) 99% GET Surcharge	MAUI (\$ millions)	HAWAII ISLAND (\$ millions)	KAUAI (\$ millions)
2016	\$233,323,231 (actual)	--	--	--
2017	\$225,125,679 (actual)	--	--	--
2018	\$245.0	--	--	--
2019	\$268.2	\$ 60.7	\$ 52.8	\$ 25.8
2020	\$280.4	\$ 68.4	\$ 59.5	\$ 29.1
2021	\$293.0	\$ 70.8	\$ 61.6	\$ 30.1
2022	\$306.2	\$ 73.3	\$ 63.7	\$ 31.1
2023	\$319.9	\$ 76.0	\$ 66.1	\$ 32.3
2024	\$334.3	\$ 78.8	\$ 68.5	\$ 33.5
2025	\$349.3	\$ 81.7	\$ 71.0	\$ 34.7
2026	\$365.0	\$ 84.7	\$ 73.6	\$ 36.0
2027	\$381.5	\$ 87.8	\$ 76.4	\$ 37.3
2028	\$398.6	\$ 91.0	\$ 79.2	\$ 38.7
2029	\$416.6	\$ 94.4	\$ 82.1	\$ 40.1
2030	\$435.3	\$ 97.9	\$ 85.1	\$ 41.6
2031	\$455.0	\$ 101.5	\$ 88.2	\$ 43.1
TOTAL	\$1,706.0	\$ 1,067.0	\$ 927.8	\$ 453.4

Source: State of Hawaii Department of Taxation

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* Extremely rough *estimate* provided by DoTAX. "Currently don't have enough data available to accurately predict collections by individual county."

GET Surcharge Administration Fee

56

Total Collection of GET state admin charge at 10% from 2007-2017 = \$219,391,729.52

	99% Admin Fee	90% Admin Fee	Difference to the GF
2018	\$ 245,062,691	\$ 233,393,039	\$ (11,669,652)
2019	\$ 268,285,299	\$ 243,895,726	\$ (24,389,573)
2020	\$ 280,358,137	\$ 254,871,034	\$ (25,487,103)
2021	\$ 292,974,253	\$ 266,340,230	\$ (26,634,023)
2022	\$ 306,158,094	\$ 278,325,540	\$ (27,832,554)
2023	\$ 319,935,209	\$ 290,850,190	\$ (29,085,019)
2024	\$ 334,332,293	\$ 303,938,448	\$ (30,393,845)
2025	\$ 349,377,246	\$ 317,615,678	\$ (31,761,568)
2026	\$ 365,099,222	\$ 331,908,384	\$ (33,190,838)
2027	\$ 381,528,687	\$ 346,844,261	\$ (34,684,426)
		Total:	\$ (275,128,601)

Source: State of Hawaii Department of Budget and Finance

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State Debt vs General Fund Tax Revenues

57

- ▶ Pension Unfunded Liability - \$8.8B in 2015 (State's portion \$7B)
 - \$5.1B in 2006
 - 72% growth in 10 years
- ▶ Health Benefits Unfunded Liability - \$11.8B in 2015 (State's portion \$9B)
 - \$6.3B in 2006
 - 87% growth in 10 years
- ▶ Tax-Exempt General Obligation Bonds Outstanding - \$6.6B
 - \$4.3B in 2006
 - 53% growth in 10 years
- ▶ General Fund Tax Revenues - \$5.7B in 2015
 - \$4.4B in 2006
 - 30% growth in 10 years

*Data provided by Budget & Finance "State General Fund Financial Plan and Impacts to the State Budget".

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ATTACHMENT A

State Debt vs General Fund Tax Revenues

58

- ▶ The State has identified more than \$3B in deferred maintenance that is needed to maintain and repair State facilities/buildings.
- ▶ Summary: Increase in general fund tax revenue growth has not kept up with the increase in State debt

*Data provided by Budget & Finance "State General Fund Financial Plan and Impacts to the State Budget".

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The compromise

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Descriptions (Including Assumptions)	GET Oahu Only & TAT All Islands
GET Growth Rate (Per Department of Taxation is 4.5%; worksheet adjusted for growth rate of 3% per FTA)	3%
TAT Growth Rate (Average of past 29 years' growth rate)	8%
Total Project Costs (Based on HART's May 26, 2017 Financial Projection: Breakeven Analysis Schedule)	\$8.165 billion
Total Bond Financing Costs (Based on HART's financing schedule)	\$1.399 billion
Adjustment for \$21 million per year of revenues for Rail operations through financing period	\$(281 million)
Adjustment for estimated cost of marketing (\$51 million from 2012 – 2017; \$10 million thereafter for 10 years)	\$(151 million)
Adjustment for estimated financing cost savings from receiving TAT collections	\$(208.6 million)
Total Project & Financing Costs & Adjustment	\$8.923 billion
Total GET Tax Collections 1/1/2007 – 6/30/2017	\$1.978 billion
Total Projected GET Revenues 7/1/2017 – 12/31/2027	\$3.010 billion
Total Federal Grant	\$1.55 billion
Total Other Sources (Based on HART's May 26, 2017 Financial Projection: Breakeven Analysis Schedule)	\$7 million
Total Tax Revenues, Federal Grant & Other Sources	\$6.545 billion
TARGETED FUNDING SHORTFALL	\$2.378 billion

Source: State of Hawaii Department of Budget and Finance

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ATTACHMENT A

The compromise

61

- ▶ Extend the general excise tax surcharge on Oahu for three additional years
 - ▶ December 31, 2027 through December 31, 2030
 - ▶ This will provide \$1.046 billion
- ▶ Raise the hotel room tax charged to visitors (Transient Accommodation Tax) by one percent from 9.25 percent to 10.25 percent for 13 years
 - ▶ January 1, 2018 to December 31, 2030
 - ▶ This will provide \$1.326 billion
- ▶ Establish a Mass Transit Special Fund for the deposit of the GET surcharge and TAT revenues
- ▶ Permanently increase the counties' share of the TAT from its current \$93 million base to \$103 million
- ▶ Reduce the State Department of Taxation's administrative fee on the GET surcharge from 10 percent to one percent
- ▶ Require a state run audit (forensic) of the rail project and annual financial reviews
- ▶ Requires the comptroller to certify HART's expenditures for capital costs
- ▶ Requires the director of finance to disperse moneys on a monthly basis and post the comptrollers certificate statements online
- ▶ Funds cannot be spent for operations, maintenance, administration costs, or marketing

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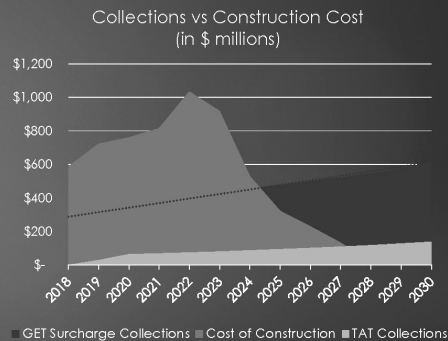
The compromise

62

99% Oahu GET Surcharge + 1% Statewide TAT Increase

2030	
99% Oahu GET Extension 2028 to 2030	\$1,046,400,521
1% TAT Statewide 2018 to 2030	\$1,326,867,668
Total	\$2,373,268,189
Deficit	\$2,378,000,000
Financing Cost	*\$1,191,000,000

*estimate based on HART data



Source: State of Hawaii Department of Budget and Finance

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References

63

- ▶ Alternatives Analysis Report (2006)
- ▶ Final Financial Plan for Entry into Final Design (2011)
- ▶ Full Funding Grant Agreement (2012)
- ▶ HART Recovery Plan (2017)
- ▶ Update Financial Capacity Assessment by Porter & Associates, Inc.
- ▶ Project Management Oversight Contractor (PMOC) Report (2016)
- ▶ How Hawaii's State Government Shares Transient Accommodation Tax Revenues with Its Local Governments," UHERO; James Mak (2016)
- ▶ Budget & Finance "State General Fund Financial Plan and Impacts to the State Budget"

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FOURTH DAY

Thursday, August 31, 2017

The Senate of the Twenty-Ninth Legislature of the State of Hawai'i, Special Session of 2017, convened at 9:42 a.m. with the President in the Chair.

The Roll was called showing all Senators present with the exception of Senators Ihara and Nishihara who were excused.

The President announced that he had read and approved the Journal of the Third Day.

STANDING COMMITTEE REPORTS

Senator Gabbard, for the Committee on Agriculture and Environment, presented a report (Stand. Com. Rep. No. 5) recommending that the Senate advise and consent to the nominations to the Endangered Species Recovery Committee of the following:

LISA SPAIN, in accordance with Gov. Msg. No. 1; and

LOYAL MEHRHOFF, in accordance with Gov. Msg. No. 2.

In accordance with the Senate Rule 37(6), action on Stand. Com. Rep. No. 5 and Gov. Msg. Nos. 1 and 2 was deferred until Friday, September 1, 2017.

Senator Taniguchi, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 6) recommending that the Senate advise and consent to the nominations to the State Foundation on Culture and the Arts Commission of the following:

CLYDE SAKAMOTO, in accordance with Gov. Msg. No. 19;

NALANI BRUN, in accordance with Gov. Msg. No. 20; and

SHERMAN WARNER, in accordance with Gov. Msg. No. 21.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 6 and Gov. Msg. Nos. 19, 20, and 21 was deferred until Friday, September 1, 2017.

Senator Tokuda, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 7) recommending that the Senate advise and consent to the nominations to the Board of Trustees of the Deferred Compensation Plan of the following:

BRIAN MOTO, in accordance with Gov. Msg. No. 22; and

KENNETH VILLABRILLE, in accordance with Gov. Msg. No. 23.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 7 and Gov. Msg. Nos. 22 and 23 was deferred until Friday, September 1, 2017.

Senator Tokuda, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 8) recommending that the Senate advise and consent to the nomination of DWIGHT TAKAMINE to the Hawai'i Workforce Development Council, in accordance with Gov. Msg. No. 24.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 8 and Gov. Msg. No. 24 was deferred until Friday, September 1, 2017.

Senator Taniguchi, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 9) recommending that the Senate advise and consent to the nomination of JOAKIM PETER to the Civil Rights Commission, in accordance with Gov. Msg. No. 33.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 9 and Gov. Msg. No. 33 was deferred until Friday, September 1, 2017.

Senator Green, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 10) recommending that the Senate advise and consent to the nominations to the Commission on Fatherhood of the following:

DAVID MATTOS, in accordance with Gov. Msg. No. 15; and

CALEB MILLIKEN, in accordance with Gov. Msg. No. 36.

In accordance with the Senate Rule 37(6), action on Stand. Com. Rep. No. 10 and Gov. Msg. Nos. 15 and 36 was deferred until Friday, September 1, 2017.

Senator Espero, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 11) recommending that the Senate advise and consent to the nomination of DONN MENDE to the Board of Directors of the Hawai'i Housing Finance and Development Corporation, in accordance with Gov. Msg. No. 16.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 11 and Gov. Msg. No. 16 was deferred until Friday, September 1, 2017.

Senator Espero, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 12) recommending that the Senate advise and consent to the nominations to the Hawai'i Community Development Authority of the following:

JO-ANN LEONG, in accordance with Gov. Msg. No. 53;

DONNA CAMVEL, in accordance with Gov. Msg. No. 54;

MAEDA TIMSON, in accordance with Gov. Msg. No. 55;

PHILLIP HASHA, in accordance with Gov. Msg. No. 56; and

JASON OKUHAMA, in accordance with Gov. Msg. No. 57.

In accordance with the Senate Rule 37(6), action on Stand. Com. Rep. No. 12 and Gov. Msg. Nos. 53, 54, 55, 56, and 57 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 13) recommending that the Senate advise and consent to the nomination of KAREN BOYER to the State Board of Nursing, in accordance with Gov. Msg. No. 4.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 13 and Gov. Msg. No. 4 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 14) recommending that the Senate advise and consent to the nomination of RONALD HAY to the Board of Certification of Operating Personnel in Wastewater Treatment Plants, in accordance with Gov. Msg. No. 5.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 14 and Gov. Msg. No. 5 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 15) recommending that the Senate advise and consent to the

nominations to the Disability and Communication Access Board of the following:

MARIE KIMMEY, in accordance with Gov. Msg. No. 6; and

SCOTT FLEMING, in accordance with Gov. Msg. No. 7.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 15 and Gov. Msg. Nos. 6 and 7 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 16) recommending that the Senate advise and consent to the nomination of BRENT ROBINSON to the Emergency Medical Services Advisory Committee, in accordance with Gov. Msg. No. 8.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 16 and Gov. Msg. No. 8 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 17) recommending that the Senate advise and consent to the nominations to the Policy Advisory Board for Elder Affairs of the following:

JOY MIYASAKI, in accordance with Gov. Msg. No. 9;

SARAH YUAN, in accordance with Gov. Msg. No. 10;

SUZANNE SCHULBERG, in accordance with Gov. Msg. No. 11; and

LINDA AXTELL-THOMPSON, in accordance with Gov. Msg. No. 50.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 17 and Gov. Msg. Nos. 9, 10, 11, and 50 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 18) recommending that the Senate advise and consent to the nomination of JILL MIYAMURA to the Statewide Health Coordinating Council, in accordance with Gov. Msg. No. 13.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 18 and Gov. Msg. No. 13 was deferred until Friday, September 1, 2017.

ORDER OF THE DAY

ADVISE AND CONSENT

Stand. Com. Rep. No. 4 (Gov. Msg. No. 3):

Senator Baker moved that Stand. Com. Rep. No. 4 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of JAMES GRIFFIN to the Public Utilities Commission, term to expire June 30, 2022, seconded by Senator Tokuda.

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

“Colleagues, I rise in strong support of Governor’s Message No. 3, asking us to consent to the nomination of Dr. James Griffin as a Commissioner to the Public Utilities Commission. Some of us know Dr. Griffin more informally as Jay, but I want to advise my colleagues that, having looked at all of the many people who came in to testify in favor of his nomination, a wide range of folks – past commissioners, current commissioners, individuals involved in energy, some of his former colleagues at

UH, and also from the neighbor islands – they gave him high marks. And he certainly seems to have the background, the disposition, the interest, the education, as well as a sincere commitment to public service that is welcome on the PUC. I would ask all of my colleagues to join the committee, which was unanimous in support, and unanimously confirm Jay Griffin to the Public Utilities Commission. Mahalo.”

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

Ayes, 23. Noes, none. Excused, 2 (Ihara, Nishihara).

At this time, Senator Baker introduced James Griffin, who was present in the gallery with his wife, Catharine, and their daughter, Lia.

Senator Baker also recognized Mary Alice Evans, deputy director of the Department of Business, Economic Development, and Tourism, who was present in the gallery.

At 9:46 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 9:53 a.m.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 62 to 69) were read by the Clerk and were placed on file:

Gov. Msg. No. 62, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of KEITH ROBINSON to the Aha Moku Advisory Committee, under Gov. Msg. No. 41 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 62, the nomination listed under Gov. Msg. No. 41 was returned.

Gov. Msg. No. 63, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of WILLIAM KAHOLOAA, SR. to the Aha Moku Advisory Committee, under Gov. Msg. No. 42 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 63, the nomination listed under Gov. Msg. No. 42 was returned.

Gov. Msg. No. 64, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of RICHARD HOOPII to the Aha Moku Advisory Committee, under Gov. Msg. No. 43 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 64, the nomination listed under Gov. Msg. No. 43 was returned.

Gov. Msg. No. 65, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of LESLIE KULOLOIO to the Aha Moku Advisory Committee, under Gov. Msg. No. 44 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 65, the nomination listed under Gov. Msg. No. 44 was returned.

Gov. Msg. No. 66, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of FRANCES KALUHIWA to the Aha Moku Advisory Committee, under Gov. Msg. No. 45 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 66, the nomination listed under Gov. Msg. No. 45 was returned.

Gov. Msg. No. 67, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of PIILANI

KAAWALOA to the Aha Moku Advisory Committee, under Gov. Msg. No. 46 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 67, the nomination listed under Gov. Msg. No. 46 was returned.

Gov. Msg. No. 68, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of THOMAS HASHIMOTO to the Aha Moku Advisory Committee, under Gov. Msg. No. 47 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 68, the nomination listed under Gov. Msg. No. 47 was returned.

Gov. Msg. No. 69, informing the Senate that on August 30, 2017, the Governor withdrew the nomination of WINIFRED BASQUES to the Aha Moku Advisory Committee, under Gov. Msg. No. 48 dated August 24, 2017, from consideration by the Senate.

In accordance with Gov. Msg. No. 69, the nomination listed under Gov. Msg. No. 48 was returned.

STANDING COMMITTEE REPORTS

On motion by Senator Espero, seconded by Senator English and carried unanimously, the Senate authorized the Clerk to receive standing committee reports on Governor's Messages for advise and consent. In consequence thereof, and subsequent to its recessing at 9:54 a.m., the Senate took the following actions on the following standing committee reports:

Senator Kahele, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 19) recommending that the Senate advise and consent to the nomination of SHARON VITOUSEK to the Hawai'i Medical Education Council, in accordance with Gov. Msg. No. 17.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 19 and Gov. Msg. No. 17 was deferred until Friday, September 1, 2017.

Senator Kahele, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 20) recommending that the Senate advise and consent to the nomination of COLLEEN SATHRE to the Western Interstate Commission for Higher Education, in accordance with Gov. Msg. No. 34.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 20 and Gov. Msg. No. 34 was deferred until Friday, September 1, 2017.

Senator Kahele, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 21) recommending that the Senate advise and consent to the nomination of DOUGLAS SHINSATO to the Board of Regents of the University of Hawai'i, in accordance with Gov. Msg. No. 35.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 21 and Gov. Msg. No. 35 was deferred until Friday, September 1, 2017.

Senator Taniguchi, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 22) recommending that the Senate advise and consent to the nomination of SHAWN MERRILL to the Board of Registration of the Island of Hawai'i, in accordance with Gov. Msg. No. 18.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 22 and Gov. Msg. No. 18 was deferred until Friday, September 1, 2017.

Senator Kim, for the Committee on Government Operations, presented a report (Stand. Com. Rep. No. 23) recommending that the Senate advise and consent to the nomination of

ROBERT GAUSEPOHL to the Enhanced 911 Board, in accordance with Gov. Msg. No. 14.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 23 and Gov. Msg. No. 14 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 24) recommending that the Senate advise and consent to the nomination of LOUISE CRUM to the State Council on Mental Health, in accordance with Gov. Msg. No. 12.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 24 and Gov. Msg. No. 12 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 25) recommending that the Senate advise and consent to the nomination of CARI UESUGI to the Language Access Advisory Council, in accordance with Gov. Msg. No. 32.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 25 and Gov. Msg. No. 32 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 26) recommending that the Senate advise and consent to the nomination of MICHAEL FREITAS to the State Boxing Commission of Hawaii, in accordance with Gov. Msg. No. 49.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 26 and Gov. Msg. No. 49 was deferred until Friday, September 1, 2017.

Senator Baker, for the Committee on Commerce, Consumer Protection, and Health, presented a report (Stand. Com. Rep. No. 27) recommending that the Senate advise and consent to the nominations to the Board of Dental Examiners of the following:

PEARL ARRINGTON, in accordance with Gov. Msg. No. 51; and

SHARON TANAKA, in accordance with Gov. Msg. No. 52.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 27 and Gov. Msg. Nos. 51 and 52 was deferred until Friday, September 1, 2017.

Senator Wakai, for the Committee on Economic Development, Tourism, and Technology, presented a report (Stand. Com. Rep. No. 28) recommending that the Senate advise and consent to the nominations to the Stadium Authority of the following:

BRENNON MORIOKA, in accordance with Gov. Msg. No. 37; and

AUDREY ABE, in accordance with Gov. Msg. No. 38.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 28 and Gov. Msg. Nos. 37 and 38 was deferred until Friday, September 1, 2017.

Senator Rhoads, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 29) recommending that the Senate advise and consent to the nominations to the Land Use Commission of the following:

GARY OKUDA, in accordance with Gov. Msg. No. 26;

LEE OHIGASHI, in accordance with Gov. Msg. No. 27;

LINDA ESTES, in accordance with Gov. Msg. No. 28;

NANCY CABRAL, in accordance with Gov. Msg. No. 29;

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 29 and Gov. Msg. Nos. 26, 27, 28, and 29 was deferred until Friday, September 1, 2017.

Senator Rhoads, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 30) recommending that the Senate advise and consent to the nominations to the Kāneʻohe Bay Regional Council of the following:

CLAYTON HANAGAMI, in accordance with Gov. Msg. No. 30; and

CLIFFORD LOO, in accordance with Gov. Msg. No. 31.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 30 and Gov. Msg. Nos. 30 and 31 was deferred until Friday, September 1, 2017.

Senator Taniguchi, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 31) recommending that the Senate advise and consent to the nomination of JEAN ROLLES to the Hawai'i Sister State Committee, in accordance with Gov. Msg. No. 61.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 31 and Gov. Msg. No. 61 was deferred until Friday, September 1, 2017.

Senator Dela Cruz, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 32) recommending that the Senate advise and consent to the nomination of CHRISTOPHER HANNIGAN to the Board of Taxation Review, 3rd Taxation District (Hawai'i), in accordance with Gov. Msg. No. 25.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 32 and Gov. Msg. No. 25 was deferred until Friday, September 1, 2017.

Senator Rhoads, for the Committee on Water and Land, presented a report (Stand. Com. Rep. No. 33) recommending that the Senate advise and consent to the nomination of ROBERT MASUDA as Deputy to the Chairperson of the Department of Land and Natural Resources, in accordance with Gov. Msg. No. 40.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 33 and Gov. Msg. No. 40 was deferred until Friday, September 1, 2017.

Senator Tokuda, for the Committee on Labor, presented a report (Stand. Com. Rep. No. 34) recommending that the Senate advise and consent to the nominations to the Hawai'i Labor Relations Board of the following:

MARCUS OSHIRO, in accordance with Gov. Msg. No. 59; and

MARCUS OSHIRO, in accordance with Gov. Msg. No. 60.

In accordance with Senate Rule 37(6), action on Stand. Com. Rep. No. 34 and Gov. Msg. Nos. 59 and 60 was deferred until Friday, September 1, 2017.

ADJOURNMENT

At 6:00 p.m., the Senate adjourned until 9:30 a.m., Friday, September 1, 2017.

FIFTH DAY

Friday, September 1, 2017

The Senate of the Twenty-Ninth Legislature of the State of Hawai'i, Special Session of 2017, convened at 9:48 a.m. with the President in the Chair.

The Roll was called showing all Senators present with the exception of Senators Nishihara and Thielen who were excused.

The President announced that he had read and approved the Journal of the Fourth Day.

At this time, Senator English introduced students and teachers from Lāna'i who were visiting Honolulu with the Center for Tomorrow's Leaders: students Naighel Calderon, Isaiah Nakano, Jose Matute, Kainalu Morimoto, Maile Laporga, Allyn Teppang, Mitchell Ganir, Michael Raqueno, Trevan Ayonayon, and Tower Vergara; and teachers Erin Nakano and Patricia Niibu.

ORDER OF THE DAY

ADVISE AND CONSENT

Stand. Com. Rep. No. 5 (Gov. Msg. Nos. 1 and 2):

Senator Gabbard moved that Stand. Com. Rep. No. 5 be received and placed on file, seconded by Senator Riviere and carried.

Senator Gabbard then moved that the Senate advise and consent to the nominations to the Endangered Species Recovery Committee of the following:

LISA SPAIN, term to expire June 30, 2021 (Gov. Msg. No. 1); and

LOYAL MEHRHOFF, term to expire June 30, 2019 (Gov. Msg. No. 2),

seconded by Senator Riviere.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 6 (Gov. Msg. Nos. 19, 20, and 21):

Senator Rhoads moved that Stand. Com. Rep. No. 6 be received and placed on file, seconded by Senator Gabbard and carried.

Senator Rhoads then moved that the Senate advise and consent to the nominations to the State Foundation on Culture and the Arts Commission of the following:

CLYDE SAKAMOTO, term to expire June 30, 2020 (Gov. Msg. No. 19);

NALANI BRUN, term to expire June 30, 2021 (Gov. Msg. No. 20); and

SHERMAN WARNER, term to expire June 30, 2021 (Gov. Msg. No. 21),

seconded by Senator Gabbard.

Senator Inouye spoke in support of Gov. Msg. No. 21 as follows:

"Mr. President, I have comments, as well, for the following GMS, and ask that it be entered into the Journal in support: Sharon Vitousek, G.M. 17; Sherman Warner, G.M. 21; Nancy

Cabral, G.M. 29; Bob Masuda, G.M. 40; Dwight Takamine, G.M. 24; Donn Mende, G.M. 16; and Marcus Oshiro, G.M. 60.

"With the exception of the latter, the rest are all in my district, on the Big Island. Thank you, Mr. President."

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 7 (Gov. Msg. Nos. 22 and 23):

Senator Tokuda moved that Stand. Com. Rep. No. 7 be received and placed on file, seconded by Senator English and carried.

Senator Tokuda then moved that the Senate advise and consent to the nominations to the Board of Trustees of the Deferred Compensation Plan of the following:

BRIAN MOTO, term to expire June 30, 2021 (Gov. Msg. No. 22); and

KENNETH VILLABRILLE, term to expire June 30, 2021 (Gov. Msg. No. 23),

seconded by Senator English.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 8 (Gov. Msg. No. 24):

Senator Tokuda moved that Stand. Com. Rep. No. 8 be received and placed on file, seconded by Senator English and carried.

Senator Tokuda then moved that the Senate advise and consent to the nomination of DWIGHT TAKAMINE to the Hawai'i Workforce Development Council, term to expire June 30, 2020, seconded by Senator English.

Senator Inouye spoke in support of the nominee as follows:

"Mr. President, I have comments, as well, for the following GMS, and ask that it be entered into the Journal in support: Sharon Vitousek, G.M. 17; Sherman Warner, G.M. 21; Nancy Cabral, G.M. 29; Bob Masuda, G.M. 40; Dwight Takamine, G.M. 24; Donn Mende, G.M. 16; and Marcus Oshiro, G.M. 60.

"With the exception of the latter, the rest are all in my district, on the Big Island. Thank you, Mr. President."

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 9 (Gov. Msg. No. 33):

Senator Rhoads moved that Stand. Com. Rep. No. 9 be received and placed on file, seconded by Senator Gabbard and carried.

Senator Rhoads then moved that the Senate advise and consent to the nomination of JOAKIM PETER to the Civil Rights Commission, term to expire June 30, 2019, seconded by Senator Gabbard.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 10 (Gov. Msg. Nos. 15 and 36):

Senator Green moved that Stand. Com. Rep. No. 10 be received and placed on file, seconded by Senator Chang and carried.

Senator Green then moved that the Senate advise and consent to the nominations to the Commission on Fatherhood of the following:

DAVID MATTOS, term to expire June 30, 2020 (Gov. Msg. No. 15); and

CALEB MILLIKEN, term to expire June 30, 2020 (Gov. Msg. No. 36),

seconded by Senator Chang.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 11 (Gov. Msg. No. 16):

Senator Espero moved that Stand. Com. Rep. No. 11 be received and placed on file, seconded by Senator Harimoto and carried.

Senator Espero then moved that the Senate advise and consent to the nomination of DONN MENDE to the Board of Directors of the Hawai'i Housing Finance and Development Corporation, term to expire June 30, 2021, seconded by Senator Harimoto.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 12 (Gov. Msg. Nos. 53, 54, 55, 56, and 57):

Senator Espero moved that Stand. Com. Rep. No. 12 be received and placed on file, seconded by Senator Harimoto and carried.

Senator Espero then moved that the Senate advise and consent to the nominations to the Hawai'i Community Development Authority of the following:

JO-ANN LEONG, term to expire June 30, 2021 (Gov. Msg. No. 53);

DONNA CAMVEL, term to expire June 30, 2018 (Gov. Msg. No. 54);

MAEDA TIMSON, term to expire June 30, 2021 (Gov. Msg. No. 55);

PHILLIP HASHA, term to expire June 30, 2021 (Gov. Msg. No. 56); and

JASON OKUHAMA, term to expire June 30, 2021 (Gov. Msg. No. 57).

seconded by Senator Harimoto.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 13 (Gov. Msg. No. 4):

Senator Baker moved that Stand. Com. Rep. No. 13 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of KAREN BOYER to the State Board of Nursing, term to expire June 30, 2018, seconded by Senator Tokuda.

Senator Baker spoke in strong support of the nominee as follows:

"I rise in strong support of several Governor's Messages contained in Standing Committee Reports 13 through 18. These are all nominees to various boards and commissions housed with either Department of Commerce and Consumer Affairs or the Department of Health. Colleagues, these nominees are all very well-qualified for these positions and very willing to serve. I ask for your unanimous vote for confirmation. Mahalo."

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 14 (Gov. Msg. No. 5):

Senator Baker moved that Stand. Com. Rep. No. 14 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of RONALD HAY to the Board of Certification of Operating Personnel in Wastewater Treatment Plants, term to expire June 30, 2020, seconded by Senator Tokuda.

Senator Baker spoke in strong support of the nominee as follows:

"I rise in strong support of several Governor's Messages contained in Standing Committee Reports 13 through 18. These are all nominees to various boards and commissions housed with either Department of Commerce and Consumer Affairs or the Department of Health. Colleagues, these nominees are all very well-qualified for these positions and very willing to serve. I ask for your unanimous vote for confirmation. Mahalo."

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 15 (Gov. Msg. Nos. 6 and 7):

Senator Baker moved that Stand. Com. Rep. No. 15 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nominations to the Disability and Communication Access Board of the following:

MARIE KIMMEY, term to expire June 30, 2021 (Gov. Msg. No. 6); and

SCOTT FLEMING, term to expire June 30, 2019 (Gov. Msg. No. 7),

seconded by Senator Tokuda.

Senator Baker spoke in strong support of the nominees as follows:

“I rise in strong support of several Governor’s Messages contained in Standing Committee Reports 13 through 18. These are all nominees to various boards and commissions housed with either Department of Commerce and Consumer Affairs or the Department of Health. Colleagues, these nominees are all very well-qualified for these positions and very willing to serve. I ask for your unanimous vote for confirmation. Mahalo.”

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 16 (Gov. Msg. No. 8):

Senator Baker moved that Stand. Com. Rep. No. 16 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of BRENT ROBINSON to the Emergency Medical Services Advisory Committee, term to expire June 30, 2020, seconded by Senator Tokuda.

Senator Baker spoke in strong support of the nominee as follows:

“I rise in strong support of several Governor’s Messages contained in Standing Committee Reports 13 through 18. These are all nominees to various boards and commissions housed with either Department of Commerce and Consumer Affairs or the Department of Health. Colleagues, these nominees are all very well-qualified for these positions and very willing to serve. I ask for your unanimous vote for confirmation. Mahalo.”

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 17 (Gov. Msg. Nos. 9, 10, 11, and 50):

Senator Baker moved that Stand. Com. Rep. No. 17 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nominations to the Policy Advisory Board for Elder Affairs of the following:

JOY MIYASAKI, term to expire June 30, 2021 (Gov. Msg. No. 9);

SARAH YUAN, term to expire June 30, 2021 (Gov. Msg. No. 10);

SUZANNE SCHULBERG, term to expire June 30, 2021 (Gov. Msg. No. 11); and

LINDA AXTELL-THOMPSON, term to expire June 30, 2021 (Gov. Msg. No. 50),

seconded by Senator Tokuda.

Senator Baker spoke in strong support of the nominees as follows:

“I rise in strong support of several Governor’s Messages contained in Standing Committee Reports 13 through 18. These are all nominees to various boards and commissions housed with either Department of Commerce and Consumer Affairs or the Department of Health. Colleagues, these nominees are all

very well-qualified for these positions and very willing to serve. I ask for your unanimous vote for confirmation. Mahalo.”

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 18 (Gov. Msg. No. 13):

Senator Baker moved that Stand. Com. Rep. No. 18 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of JILL MIYAMURA to the Statewide Health Coordinating Council, term to expire June 30, 2021, seconded by Senator Tokuda.

Senator Baker spoke in strong support of the nominee as follows:

“I rise in strong support of several Governor’s Messages contained in Standing Committee Reports 13 through 18. These are all nominees to various boards and commissions housed with either Department of Commerce and Consumer Affairs or the Department of Health. Colleagues, these nominees are all very well-qualified for these positions and very willing to serve. I ask for your unanimous vote for confirmation. Mahalo.”

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 19 (Gov. Msg. No. 17):

Senator Kahele moved that Stand. Com. Rep. No. 19 be received and placed on file, seconded by Senator Kim and carried.

Senator Kahele then moved that the Senate advise and consent to the nomination of SHARON VITOUSEK to the Hawai’i Medical Education Council, term to expire June 30, 2021, seconded by Senator Kim.

Senator Inouye spoke in support of the nominee as follows:

“Mr. President, I have comments, as well, for the following GMS, and ask that it be entered into the Journal in support: Sharon Vitousek, G.M. 17; Sherman Warner, G.M. 21; Nancy Cabral, G.M. 29; Bob Masuda, G.M. 40; Dwight Takamine, G.M. 24; Donn Mende, G.M. 16; and Marcus Oshiro, G.M. 60.

“With the exception of the latter, the rest are all in my district, on the Big Island. Thank you, Mr. President.”

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 20 (Gov. Msg. No. 34):

Senator Kahele moved that Stand. Com. Rep. No. 20 be received and placed on file, seconded by Senator Kim and carried.

Senator Kahele then moved that the Senate advise and consent to the nomination of COLLEEN SATHRE to the Western Interstate Commission for Higher Education, term to expire June 30, 2021, seconded by Senator Kim.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 21 (Gov. Msg. No. 35):

Senator Kahele moved that Stand. Com. Rep. No. 21 be received and placed on file, seconded by Senator Kim and carried.

Senator Kahele then moved that the Senate advise and consent to the nomination of DOUGLAS SHINSATO to the Board of Regents of the University of Hawai'i, term to expire June 30, 2018, seconded by Senator Kim.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 22 (Gov. Msg. No. 18):

Senator Rhoads moved that Stand. Com. Rep. No. 22 be received and placed on file, seconded by Senator Gabbard and carried.

Senator Rhoads then moved that the Senate advise and consent to the nomination of SHAWN MERRILL to the Board of Registration of the Island of Hawai'i, term to expire June 30, 2019, seconded by Senator Gabbard.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 23 (Gov. Msg. No. 14):

Senator Kim moved that Stand. Com. Rep. No. 23 be received and placed on file, seconded by Senator Ruderman and carried.

Senator Kim then moved that the Senate advise and consent to the nomination of ROBERT GAUSEPOHL to the Enhanced 911 Board, term to expire June 30, 2020, seconded by Senator Ruderman.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 24 (Gov. Msg. No. 12):

Senator Baker moved that Stand. Com. Rep. No. 24 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of LOUISE CRUM to the State Council on Mental Health, term to expire June 30, 2020, seconded by Senator Tokuda.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 25 (Gov. Msg. No. 32):

Senator Baker moved that Stand. Com. Rep. No. 25 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of CARI UESUGI to the Language Access

Advisory Council, term to expire June 30, 2020, seconded by Senator Tokuda.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 26 (Gov. Msg. No. 49):

Senator Baker moved that Stand. Com. Rep. No. 26 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nomination of MICHAEL FREITAS to the State Boxing Commission of Hawaii, term to expire June 30, 2020, seconded by Senator Tokuda.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 27 (Gov. Msg. Nos. 51 and 52):

Senator Baker moved that Stand. Com. Rep. No. 27 be received and placed on file, seconded by Senator Tokuda and carried.

Senator Baker then moved that the Senate advise and consent to the nominations to the Board of Dental Examiners of the following:

PEARL ARRINGTON, term to expire June 30, 2021 (Gov. Msg. No. 51); and

SHARON TANAKA, term to expire June 30, 2019 (Gov. Msg. No. 52),

seconded by Senator Tokuda.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 28 (Gov. Msg. Nos. 37 and 38):

Senator Wakai moved that Stand. Com. Rep. No. 28 be received and placed on file, seconded by Senator Baker and carried.

Senator Wakai then moved that the Senate advise and consent to the nominations to the Stadium Authority of the following:

BRENNON MORIOKA, term to expire June 30, 2021 (Gov. Msg. No. 37); and

AUDREY ABE, term to expire June 30, 2021 (Gov. Msg. No. 38),

seconded by Senator Baker.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 29 (Gov. Msg. Nos. 26, 27, 28, and 29):

Senator Rhoads moved that Stand. Com. Rep. No. 29 be received and placed on file, seconded by Senator Gabbard and carried.

Senator Rhoads then moved that the Senate advise and consent to the nominations to the Land Use Commission of the following:

GARY OKUDA, term to expire June 30, 2021 (Gov. Msg. No. 26);

LEE OHIGASHI, term to expire June 30, 2020 (Gov. Msg. No. 27);

LINDA ESTES, term to expire June 30, 2021 (Gov. Msg. No. 28); and

NANCY CABRAL, term to expire June 30, 2021 (Gov. Msg. No. 29),

seconded by Senator Gabbard.

Senator Inouye spoke in support of Gov. Msg. No. 29 as follows:

“Mr. President, I have comments, as well, for the following GMs, and ask that it be entered into the Journal in support: Sharon Vitousek, G.M. 17; Sherman Warner, G.M. 21; Nancy Cabral, G.M. 29; Bob Masuda, G.M. 40; Dwight Takamine, G.M. 24; Donn Mende, G.M. 16; and Marcus Oshiro, G.M. 60.

“With the exception of the latter, the rest are all in my district, on the Big Island. Thank you, Mr. President.”

Senator Rhoads spoke in support of the nominees as follows:

“Mr. President, in support of all the nominees who came through the Water and Land committee.”

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 30 (Gov. Msg. Nos. 30 and 31):

Senator Rhoads moved that Stand. Com. Rep. No. 30 be received and placed on file, seconded by Senator Gabbard and carried.

Senator Rhoads then moved that the Senate advise and consent to the nominations to the Kāneʻohe Bay Regional Council of the following:

CLAYTON HANAGAMI, term to expire June 30, 2021 (Gov. Msg. No. 30); and

CLIFFORD LOO, term to expire June 30, 2021 (Gov. Msg. No. 31),

seconded by Senator Gabbard.

Senator Rhoads spoke in support of the nominees as follows:

“Mr. President, in support of all the nominees who came through the Water and Land committee.”

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 31 (Gov. Msg. No. 61):

Senator Rhoads moved that Stand. Com. Rep. No. 31 be received and placed on file, seconded by Senator Gabbard and carried.

Senator Rhoads then moved that the Senate advise and consent to the nomination of JEAN ROLLES to the Hawai‘i Sister State Committee, term to expire June 30, 2020, seconded by Senator Gabbard.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

Stand. Com. Rep. No. 32 (Gov. Msg. No. 25):

Senator Dela Cruz moved that Stand. Com. Rep. No. 32 be received and placed on file, seconded by Senator Keith-Agaran and carried.

Senator Dela Cruz then moved that the Senate advise and consent to the nomination of CHRISTOPHER HANNIGAN to the Board of Taxation Review, 3rd Taxation District (Hawai‘i), term to expire June 30, 2020, seconded by Senator Keith-Agaran.

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

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

At this time, Senator Baker introduced Karen Boyer of the State Board of Nursing, and Linda Axtell-Thompson of the Policy Advisory Board for Elder Affairs, both of whom were present in the gallery.

Senator Kahele introduced Colleen Sathre of the Western Interstate Commission for Higher Education, who was seated in the gallery.

Stand. Com. Rep. No. 33 (Gov. Msg. No. 40):

Senator Rhoads moved that Stand. Com. Rep. No. 33 be received and placed on file, seconded by Senator Gabbard and carried.

Senator Rhoads then moved that the Senate advise and consent to the nomination of ROBERT MASUDA as Deputy to the Chairperson of the Department of Land and Natural Resources, term to expire December 3, 2018, seconded by Senator Gabbard.

Senator Rhoads spoke in support of the nominee as follows:

“I had the opportunity to meet and discuss with Mr. Masuda his qualifications and goals for the position. His vast background includes previous service with the department in the deputy role for two years, and the department has expressed its strong support in welcoming him back. He also had a lengthy tenure supporting and advancing the YWCA organization in Hawai‘i and worldwide. Mr. Masuda continues to advocate for sustainable practices and ethical stewardship of our natural and cultural resources, most recently as senior adviser for special programs development at the Institute of Pacific Islands Forestry, Forest Service, United States Department of Agriculture. The testimony listed by his nomination demonstrates that he’s well-respected. Based on our discussion and his experience, I find Robert Masuda to be more than qualified to assume this key leadership role again within the department, and I strongly urge my colleagues to support him as well. Mahalo.”

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

“I rise to share with my colleagues a great truth that’s being reaffirmed today, and with the confirmation of Dr. Robert ‘Bob’ Masuda as the first deputy director of the State of Hawai‘i DLNR. Bob is a very long-time friend and lives in my district. Please note that I said ‘long-time,’ not ‘old,’ friend. The fact is that for many of us, he’s living proof of the truth that everything old is new again. Consequently, many of us know and have worked with him in many capacities over the years.

"I'm not going to recite his résumé but have two points to make by way of asking support for his nomination. First: Bob grew up in Kaka'ako when it was very, very different than today, and those small-kid times in Kaka'ako and his family – the Masudas and the Ensekis – played a huge role in shaping who he is. Over the years, Bob has received dozens of awards, including being inducted into the YMCA's National Hall of Fame in 2016, which is a really big deal. Bob credits so much of who he is and what he's been able to do to lessons learned in those early days in historic Kaka'ako.

"The second thing I'd like to share comes from one of his oldest friends who grew up in the same Kaka'ako neighborhood, a friendship that stretches back more than seven decades. His friend is Dr. Paul Nakayama, who today is a retired nuclear physicist of Japanese-Hawaiian ancestry who accumulated incredible credentials of his own. Paul puts it this way: 'Bob and I both grew up in Kaka'ako. We both earned PhDs, surprising everyone, especially Bob, who got thrown out of public school one year for rascal behavior.' But Paul says, 'While we both have PhDs,' he earned his PhD the easy way. Bob earned it the hard way. Paul said all he did was go to classes and write a paper. Bob earned his PhD by devoting his life to serving people – a lifetime of public service. And along the way, Bob learned very important lessons about respecting all people and pursuing sustainability for our islands and planet.

"This is not the first time Bob has been appointed to a leadership role in DLNR, but today, when we face so many challenges with protecting our natural resources and appreciating and respecting our state's and the world's diversity and honoring our host culture, Bob is absolutely the right person for this position.

"I ask my colleagues to unanimously confirm Dr. Robert 'Bob' Masuda as the first deputy to DLNR. Thank you. Thank you, Mr. President; thank you, colleagues."

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

Ayes, 22. Noes, none. Excused 3 (Nishihara, Taniguchi, Thielen).

At this time, Senator Rhoads introduced Dr. Robert Masuda, who was present in the gallery.

Stand. Com. Rep. No. 34 (Gov. Msg. Nos. 59 and 60):

Senator Tokuda moved that Stand. Com. Rep. No. 34 be received and placed on file, seconded by Senator English and carried.

Senator Tokuda then moved that the Senate advise and consent to the nominations to the Hawai'i Labor Relations Board of the following:

MARCUS OSHIRO, term to expire June 30, 2018 (Gov. Msg. No. 59); and

MARCUS OSHIRO, term to expire June 30, 2024 (Gov. Msg. No. 60),

seconded by Senator English.

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

"Mr. President, colleagues: This nomination really needs no introduction as obviously we have served side by side – Representative Marcus Oshiro – for 23 years during his time in the House of Representatives. In fact, yesterday when we had our confirmation hearing, it really was about sharing a number of stories and similar times that we've had together,

going through past legislative experiences and the work that he has done in the community and here in this very building. There were many individuals who came forward to testify, from many of the labor unions, from the departments, but even also from the Chamber of Commerce, from contractors, so you had a wealth of variety in terms of those who came forward to support the nominee and that really, I think, shows the strength of the nomination, to be able to provide a balanced perspective. You also had a number of discussions in terms of why the Labor Relations Board really needs to be able to have a balanced approach to be able to interpret the statutes that they are in charge of, and we had a good discussion in terms of how the nominee will be able to do that despite having written many of the laws that are in the statute. And I think that, based on what we heard yesterday, Representative Oshiro will be able to, in fact, do that.

"And we also talked about the journey he's had over the last 23 years and the many experiences he's had here in the Legislature, everything from being vice chair of Energy and Environmental Protection – I don't think many people remember that, all the way back in 1995; that was so long ago – to being Assistant Majority Floor Leader and Majority Floor Leader, Vice Speaker, Majority Leader, chair of Labor and Public Employment committee as well as Majority Whip and, of course, chair of the Finance committee. All of these varied positions have really prepared him now to take on the task of being one of three, but not just one of three, chair of the Labor Relations Board, leading a team of individuals to take on a very important task: to make sure that our workers are protected and that there's balanced protection in this particular area. That was also very much reflected when I talked to him about the fact that right now, when you look at the Labor Relations Board, that has only two members for many months now from the beginning of the year, you actually have one term that is on a holdover status, something that I've asked since January, why you do not have more permanence in this position when you've got tons of backlog in this particular area and no permanence? And he has committed as chair that he will make sure that there is more permanence in this area because you have to make sure that you have a strong team that has assurances that they'll be able to cast their work and do their work with diligence, and that should not be the case. So I commend him for being able to make sure that we will be able to carry forth the important work of the Hawai'i Labor Relations Board.

"I want to thank Representative Oshiro for not just committing to this important work and to the work of the Labor Relations Board but for the past 23 years of service. As a fellow member even of our Gushikawa Shojin Kai, I can tell you that he has been a dedicated member of our community. I know that he is very strong in our Wahiawā community, the Whitmore Village community, but I assure you that all of us here from the Senate are truly honored to be able to advise and consent on this nomination today and thank you for the commitment that you have provided the State of Hawai'i in both your service in the House of Representatives and now you will continue on and transition into your new role as chair of the Hawai'i Labor Relations Board. Thank you."

Senator Inouye spoke in support of the nominee as follows:

"Mr. President, I have comments, as well, for the following GMS, and ask that it be entered into the Journal in support: Sharon Vitousek, G.M. 17; Sherman Warner, G.M. 21; Nancy Cabral, G.M. 29; Bob Masuda, G.M. 40; Dwight Takamine, G.M. 24; Donn Mende, G.M. 16; and Marcus Oshiro, G.M. 60.

"With the exception of the latter, the rest are all in my district, on the Big Island. Thank you, Mr. President."

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

“I had the good fortune to sit across the table from Chair of Finance Marcus Oshiro a number of years ago and I was new to that position. I found him both very willing to help educate but not take advantage of a new chair, as well as be willing to share his perspective on how we could work together to get things done. So I have great admiration for soon-to-be chair of the Labor Relations Board. I know that Marcus will do his very best to live up to the expectations that we have of getting the work done more rapidly, fairly, and providing the best that we can for folks who need to come before this important board. So I ask my colleagues to join me in voting for his confirmation. Mahalo.”

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

“Mr. President, I really got to know Marcus when we both served – him as the FIN chair and myself as the WAM chair. It was a time when we had a lot of budget cuts to make; we didn’t have a lot of money to give to everybody, and so we really had to bear down. We spent many long nights and early mornings going back and forth on this, and I feel that Marcus will serve us very well in the labor board, as chair of the labor board. He has demonstrated so many qualities that I admire in him as well as in his leadership, and so I also urge my colleagues to support him. Mahalo.”

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

“I just want to point out that Marcus comes from a long lineage of public service. He has pineapple juice in his veins. He is a favorite son of Wahiawā, and he and I both share the fact that we’re both alumni of Leilehua High School, so we’re both mules, so that says a lot. But most importantly, he’s committed to Hawai‘i; he’s committed to doing what’s right, and he’s committed to doing what’s fair, so I wish him well. Thank you.”

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

“Mr. President, I served as Majority Co-Leader in the mid-nineties, and Marcus was the Majority Floor Leader, and in recognition of his relationship with many of us, I’d like to ask for a Roll Call vote so that we can each individually express our support.” (The Chair so ordered.)

The Chair then remarked, in good humor:

“To Representative Oshiro: I think it’s only fair that you know how vigorously Senator Gabbard has been lobbying for your confirmation, as the coordinator of the Senate talent team. We know that a positive vote will be delivering a crippling blow to the House and the talent team that they’ll be putting together, so thank you, Senator Gabbard, for your efforts to strengthen the Senate position in the talent contest.”

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

“Thank you, Senate President. Since we are on the line of talent, I would want to point out that at one time I had the pleasure of leading the party, and the days were long and it was very stressful to lead our party. But one day, when it was particularly stressful, I got a call from Representative Marcus Oshiro, and he said, ‘I have to come down to talk to you about something,’ and he came down to the party headquarters and he brought with him a boom box, and he proceeded to put his dark glasses on and say, ‘I need to talk to you.’ And at that time, he then did the most incredible rendition of ‘Sweet Caroline’ that took my mind off of the problems of the politics at that

moment, and it reminded me, and I’d like to remind him that at those moments of your deepest thoughts and anxiety, give me a call and I’ll be happy to sing ‘Sweet Caroline.’ Thank you for your service; aloha.”

The motion was put by the Chair and carried, Roll Call vote having been requested, on the following showing of Ayes and Noes.

Ayes, 22. Noes, none. Excused, 3 (Nishihara, Taniguchi, Thielen).

At this time, Senator Tokuda introduced the Honorable Marcus Oshiro, State Representative and newly confirmed chair of the Hawai‘i Labor Relations Board, who was present in the gallery with his wife, Lausanne; his mother, Ruth; his sisters, Roberta Ishikawa and Susan Okamura; Lei Learmont, Wahiawā Neighborhood Board and Democratic Party District Chair; Larry Meacham, Democratic Party Assistant Treasurer and former Common Cause executive director; and Mike McCartney, chief of staff for the Honorable David Y. Ige, Governor of the State of Hawai‘i. Senator Tokuda recalled being an executive in the Lieutenant Governor’s office and meeting with Representative Oshiro when he was chair of the Labor committee, as well as Mike McCartney when he was director of the Department of Human Resources Development, to discuss civil service reform, and how everything in life comes back full circle as she is now the Labor chair, able to confirm the new chair for the Labor Relations Board.

Senator Ihara rose to speak on a point of information as follows:

“Madam Chair, could I ask when Representative Oshiro will take office? So is he now the chair of the Hawai‘i Labor Relations Board or could you clarify?”

Senator Tokuda responded:

“I believe, based upon the legal opinion that we have received, he will be chair of the Labor Relations Board upon officially being sworn in, so that is the legal opinion that we have received based upon past precedent, in the future.”

At 10:15 a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 1:04 p.m.

SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 2 and 3) were read by the Clerk and were disposed of as follows:

S.R. No. 2 “SENATE RESOLUTION AUTHORIZING THE PRESIDENT TO APPROVE THE JOURNAL OF THE SENATE ON THIS FINAL DAY OF THE FIRST SPECIAL SESSION OF 2017.”

Offered by: Senator English.

On motion by Senator Espero, seconded by Senator English and carried, S.R. No. 2 was adopted.

S.R. No. 3 “SENATE RESOLUTION INFORMING THE HOUSE AND GOVERNOR THAT THE SENATE IS READY TO ADJOURN SINE DIE.”

Offered by: Senator English.

On motion by Senator Espero, seconded by Senator English and carried, S.R. No. 3 was adopted.

At this time, Senator Galuteria rose to speak on a point of personal privilege as follows:

“Very briefly: Colleagues, as we bring this week to a close, we would be remiss if we didn’t acknowledge the continuing

tragedy in the Gulf region of the United States, the incredible impact on the lives of the people of Texas, the city of Houston, and surrounding vicinities as a result of historic Hurricane Harvey. It is indeed a tragedy, yet through it all, we see the incredible spirit, the human spirit, and both the caring and kōkua exhibited by many. Now, the reason I stand is because we are deploying our own Hawaii National Guard to assist in the rescue, recovery, and soon-to-be rebuilding efforts, so we bid them Godspeed, send our blessings and the full measure of our aloha to all affected. Mahalo, Mr. President.”

The Chair then stated:

“First, to the Ways and Means committee – Chair Dela Cruz, Vice Chair Keith-Agaran – Senator Kim, who participated in the hearing on Monday: I want you to know and our staff to know that I have received nothing but complimentary calls and emails for the manner in which you conducted the hearing and, more importantly, how each and every one of you conducted yourself personally and the professional way that you treated those who were in attendance and the professional way that you treated each other during the course of the long hearing on Monday afternoon and into Monday night. I know the chair has made it clear we could not have done it without the great assistance of our wonderful staff here, so I want to just acknowledge my appreciation.

“And then I’d be remiss as the President of the Senate if I did not at least publicly say that I was offended by the remarks of Representative Ward but will not stoop to his level, and I will just leave it at that, that on behalf of the Senate, it was totally inappropriate and out of order to bring us into a debate on the floor of the House when he has no knowledge of our workings.”

ADJOURNMENT

Senator Espero moved that the Senate of the Twenty-Ninth Legislature of the State of Hawai‘i, Special Session of 2017, adjourn Sine Die, seconded by Senator English and carried.

At 1:08 p.m., the President rapped his gavel and declared the Senate of the Twenty-Ninth Legislature of the State of Hawai‘i, Special Session of 2017, adjourned Sine Die.

**GOVERNOR'S MESSAGES RECEIVED AFTER THE ADJOURNMENT
OF THE SPECIAL SESSION OF THE LEGISLATURE SINE DIE**

Gov. Msg. No. 102, informing the Senate that on September 5, 2017, the Governor signed into law Senate Bill No. 4 as Act 1, entitled: "RELATING TO GOVERNMENT."

Gov. Msg. No. 103, informing the Senate that on September 14, 2017, the Governor signed into law Senate Bill No. 3 as Act 2, entitled: "RELATING TO PUBLIC EMPLOYMENT."

Gov. Msg. No. 104, informing the Senate that on September 21, 2017, the Governor signed into law Senate Bill No. 2 as Act 3, entitled: "RELATING TO PUBLIC EMPLOYMENT COST ITEMS."

**HOUSE COMMUNICATIONS RECEIVED AFTER THE ADJOURNMENT
OF THE SPECIAL SESSION OF THE LEGISLATURE SINE DIE**

Hse. Com. No. 1, returning S.B. No. 2, which passed Third Reading in the House of Representatives on September 1, 2017.

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RULES OF THE SENATE
of the
TWENTY-NINTH LEGISLATURE OF THE STATE OF HAWAII

TABLE OF CONTENTS

PREAMBLE

PART I. ORGANIZATION, OFFICERS AND EMPLOYEES

Rule 1.	Organization
Rule 2.	Officers and Employees
Rule 3.	The President
Rule 4.	The Vice-President
Rule 5.	President Pro Tempore
Rule 6.	The Clerk
Rule 7.	Assistant Clerk
Rule 8.	Sergeant-at-Arms
Rule 9.	Assistant Sergeant-at-Arms
Rule 10.	Responsibilities of Officers and Employees
Rule 11.	Majority and Minority Party Organization and Staff
Rule 12.	Pay of Members, Officers and Employees

PART II. COMMITTEES

Rule 13.	Committees: Types and Composition
Rule 14.	Committee Chairs and Vice Chairs
Rule 15.	Committees: Control and Excuse from Membership
Rule 16.	Standing Committees
Rule 17.	Standing Committees: General Responsibility
Rule 18.	Committee on Ways and Means: Special Responsibility
Rule 19.	Leadership Committees
Rule 20.	Special Committees on Accountability
Rule 21.	Meetings of Committees
Rule 22.	Decision-Making by Committee
Rule 23.	Public Hearings on Bills
Rule 24.	Committee Reports
Rule 25.	Committees: Fact-finding and Content of Reports
Rule 26.	Committee of the Whole

PART III. SESSIONS; ATTENDANCE; NOMINATIONS

Rule 27.	Meetings
Rule 28.	Attendance
Rule 29.	Extension of Session
Rule 30.	Recessed Session
Rule 31.	Special Sessions
Rule 32.	Adjournments
Rule 33.	Motion to Adjourn
Rule 34.	Quorum
Rule 35.	Executive Session
Rule 36.	Clearing of the Senate
Rule 37.	Nominations; Appointments
Rule 38.	Meeting at Place Other than Capitol

PART IV. ORDER OF BUSINESS

Rule 39.	Order of Business: General
Rule 40.	Order of Business: Special
Rule 41.	Order of Business: Committee Reports and Gubernatorial Messages
Rule 42.	Order of Business: Order of the Day
Rule 43.	Order of Business: Unfinished Business
Rule 44.	Order of Business: Questions on Priority

PART V. BILLS

Rule 45.	Bills: Introduction
Rule 46.	Bills: Referral to Committee

- Rule 47. Bills: Required Readings
- Rule 48. Bills: First Reading
- Rule 49. Bills: Second Reading
- Rule 50. Bills: Third Reading
- Rule 51. Bills: Property of Senate
- Rule 52. Bills: Recall from Committee
- Rule 53. Matters Tabled
- Rule 54. Bills: Amendments
- Rule 55. Bills: Certification
- Rule 56. Bills: Received from House of Representatives
- Rule 57. Bills: Transmittal to House of Representatives
- Rule 58. Bills: Correction of Errors
- Rule 59. Bills: Order of Consideration
- Rule 60. Bills: Special Order of Consideration

PART VI. RESOLUTIONS; MOTIONS

- Rule 61. Resolutions and Motions: Form
- Rule 62. Motions: Disposition
- Rule 63. Motions Applicable to Pending Matters
- Rule 64. Matters Postponed Indefinitely
- Rule 65. Motion for Previous Question
- Rule 66. Motion for Reconsideration

PART VII. PETITIONS AND COMMUNICATIONS

- Rule 67. Petitions, Memorials, and Miscellaneous Communications

PART VIII. ORDER; DEBATE; VOTING

- Rule 68. Questions of Order
- Rule 69. Debate: General Limitation
- Rule 70. Voting: Methods
- Rule 71. Voting: Rights of Members

PART IX. DECORUM; DISCLOSURES; PEER REVIEW; PUNISHMENT

- Rule 72. Misconduct; Procedure; Peer Review
- Rule 73. Decorum: Transgression of Rules
- Rule 74. Decorum: Address
- Rule 75. Decorum: Person Called to Order While Speaking
- Rule 76. Decorum: Presence in Senate
- Rule 77. Decorum: Conduct in Session
- Rule 78. Decorum: Disorderly Conduct in Session
- Rule 79. Decorum: Recording of Debate Called to Order
- Rule 80. Decorum: Smoking
- Rule 81. Standards of Conduct
- Rule 82. Decorum: Solicitation Prohibited
- Rule 83. Disclosures
- Rule 84. Violating Confidence
- Rule 85. Conflicts of Interest

PART X. QUESTIONS TO STATE OFFICERS

- Rule 86. Questions to State Officers

PART XI. AMENDMENT, SUSPENSION AND INTERPRETATION OF RULES

- Rule 87. Amendments; Suspension; Violations
- Rule 88. Parliamentary Procedure

PART XII. MISCELLANEOUS POWER

- Rule 89. Administrative and Financial Manuals
- Rule 90. Decorum; Diresprectful Conduct During Session by Non-member
- Rule 91. Issuance of the Senate Pin

RULES OF THE SENATE
of the
TWENTY-NINTH LEGISLATURE OF THE STATE OF HAWAII

PREAMBLE

The members of the Senate do hereby reaffirm the Senate's dedication to upholding the Constitutions of the United States and the State of Hawai'i, to providing for openness and fairness in all of its proceedings, and to promoting collaboration and consultation in its committee work.

The Senate stands as a people-oriented institution that serves all of the people, whatever their background or persuasion. The Senate works for the public good and strives to give every person an equal opportunity to realize his or her highest potential. The Senate's organized debate and deliberative consideration of issues shall be open to the public.

RULES OF THE SENATE

The following Rules shall be the Rules of the Senate of the Twenty-ninth Legislature of the State of Hawai'i.

PART I. ORGANIZATION, OFFICERS AND EMPLOYEES

Rule 1 Organization.

(1) When the Senate convenes in the first Regular Session of each Legislature, the member from the First Senatorial District shall act as temporary chair, call the Senate to order, appoint a temporary Clerk and a Committee of three whose duty it shall be to immediately examine the credentials of the members-elect of the Senate. If, from the report of the Committee, it shall appear that a majority of the credentials are in order, the temporary Clerk shall call the roll.

(2) The temporary Chair shall then appoint a Committee of three to wait upon a justice of the Supreme Court, an Intermediate Appellate Court Judge or a Circuit Court judge to administer the oath of office required by the Hawai'i State Constitution. After the oath has been duly administered, the Senate shall organize.

(3) When the Senate convenes in any succeeding Sessions of the Legislature, the President or the Vice-President, in the absence of the President, shall call the Senate to order.

Rule 2 Officers and Employees.

(1) The officers of the Senate shall consist of a President, Vice-President, Clerk, Assistant Clerk, Sergeant-at-Arms, and Assistant Sergeant-at-Arms, each of whom shall be elected by a majority vote of the members of the Senate.

(2) The President and Vice-President shall hold their respective offices in accordance with Title 3, Hawai'i Revised Statutes. Other officers and employees shall hold their respective offices and positions at the pleasure of the Senate, but a majority vote of the members of the Senate shall be required to terminate the office held by any officer of the Senate.

(3) The Senate, by a majority vote, may authorize positions from time to time as may be deemed necessary.

Rule 3 The President.

It shall be the duty of the President:

- (1) To open the meetings of the Senate by taking the Chair.
- (2) When a quorum is present, to call for the reading of the Journal of the preceding day.
- (3) To maintain order in the Senate Chamber and to require proper decorum on the part of the members.
- (4) To announce the business before the Senate in the order prescribed by the Rules.
- (5) To receive and submit all matters properly brought before the Senate by the members, call for votes upon the same and announce the results.
- (6) To receive all communications, including but not limited to, Governor's messages, budget messages, and Judiciary communications, present them to the Senate and, unless otherwise provided in these Rules, refer these and other matters to the appropriate standing committees.
- (7) To appoint all members of committees unless otherwise determined by the Senate.
- (8) To authenticate by signature, all acts and doings of the Senate which require authentication.
- (9) To make known rules of order when so requested and, subject to an appeal to the Senate, to decide all questions of order.
- (10) To issue warrants and when so directed by the Senate, to carry into effect its orders in the arrest of offenders, the issuance of subpoenas requiring the attendance of witnesses and subpoenas duces tecum requiring the production of books, documents, or other evidence, in any manner pending before the Senate, or committee, as the case may be, or other orders of the Senate.

- (11) To decide and announce the result of any vote taken.
- (12) To do and perform such other duties as are required by law or by these rules or such as may properly pertain to such office.
- (13) To clear the Senate Chamber of all persons, except its members and designated persons if there is a disturbance or disorderly conduct, or on motion duly adopted.
- (14) To control and have direction of the rooms, desks, passages, stairways, corridors, and balconies, in and about the building set apart for the use of the Senate, and all public property of the Senate. The President shall see that all officers of the Senate perform their respective duties, and may assign places to visitors and reporters. The President may admit stenographers or other reporters, wishing to take down the debates, and assign them such places to effect their object as shall not interfere with the convenience of the Senate.
- (15) To establish final dates for action on legislation, including, though not limited to the final date for introducing bills, the dates for the mandatory recess pursuant to Article III, Section 10, of the Hawai'i State Constitution, the final date for third reading of Senate Bills, the final date for third reading of House Bills, the final date for approving Conference Committee agreements and drafts of bills, the final date for final reading of the General Appropriations Bill, and the final date for final reading of the Supplemental Appropriations Bill. The President shall coordinate the date for introducing bills and may coordinate with the Speaker of the House to establish the other final dates.
- (16) To mediate and resolve differences between two or more standing committees on the same bill.
- (17) To administer oaths to elected officers of the Senate who are not Senators and to witnesses who are compelled to testify under oath before the Senate or a committee thereof; provided that the President may appoint a designee to administer oaths as the President deems necessary.
- (18) To disperse information to all members relating to the President's nominations and appointments to boards and commissions on a monthly basis.

Rule 4 The Vice-President.

- (1) The Vice-President and the President shall prepare and administer a budget for the Senate.
- (2) Except as otherwise provided in the Senate Rules, the President and Vice-President shall oversee permanent support staff of the Senate who are not directly employed or supervised by an individual Senator.
- (3) In the absence of the President, the Vice-President shall exercise all the duties and powers of the President.

Rule 5 President Pro Tempore.

- (1) In case the President and Vice-President shall be absent at the hour to which the Senate had adjourned, the member of the majority party having the longest tenure in the Senate shall preside until a President pro tempore is chosen. If two or more members are equally qualified to preside, the eldest qualified member shall preside.
- (2) The President pro tempore shall be invested with all of the powers and shall perform all the duties of the President. Whenever the President pro tempore is required to sign a bill or other instrument, the Clerk shall attach to such bill or instrument a certificate stating that such President pro tempore was duly elected and is authorized to so sign.

Rule 6 The Clerk.

It shall be the duty of the Clerk:

- (1) To have charge of all records of the Senate and be responsible for the same. At no time shall the Clerk permit original documents to be withdrawn from the Clerk's keeping unless ordered by the Senate.
- (2) To make a concise and complete memorandum of all petitions, motions, resolutions, amendments and other matters brought before the Senate. Such memoranda shall state the nature of the matter and the name of the introducer, and the date and day of the session on which the Senate considered the matter. The memoranda, together with other matters ordered to be placed therein, shall constitute the Journal, a copy of which shall be made available for inspection to any member upon request as soon as practicable. The Journal of each day shall be read the following day. When such Journal is approved by vote of the Senate, it shall be entered by the Clerk in a book entitled "Journal of the Senate. Session of ." (Giving the Year).
- (3) Unless otherwise directed by the Senate, to read all bills, resolutions and other matters (if so required) to the Senate.
- (4) To forward at once all letters, messages, communications and other matters to the proper parties.
- (5) To immediately deliver to the Chair of the appropriate committee all petitions, resolutions, bills or other matters duly referred to such committee.
- (6) To see that all bills and resolutions are properly engrossed and are correct and true as finally acted upon by the Senate.
- (7) To draw on the state general fund for expenses of the session as shall be authorized by the Senate and approved by the President.
- (8) To pay all bills and accounts as shall be approved by the President or the President's designees, or ordered by the Senate, and no others.
- (9) To be responsible for the acquisition and distribution of all of the property of the Senate.

(10) To note all questions of order with the decision thereon, collect the same, and append them to the Senate Journal at the close of the session.

(11) To perform all other clerical duties and functions pertaining to the Office of the Clerk and as the Senate from time to time shall direct. The Clerk shall post the order of business in writing in a conspicuous place each day.

Rule 7 Assistant Clerk.

The Assistant Clerk shall assist the Clerk in the performance of all duties and attend to such other duties as may be required when so directed by the Senate. In the absence of the Clerk, the Assistant Clerk shall perform all duties of the Clerk.

Rule 8 Sergeant-at-Arms.

It shall be the duty of the Sergeant-at-Arms to attend the Senate on every day of meeting; to maintain order among those present as spectators; to give notice to the Presiding Officer of the attendance of any person with communications or otherwise; to supervise the distribution of incidentals which require distribution among the members; to supervise, subject to the control of the President, the Senate Messengers; to attend upon committees if so requested; to serve all orders or process as directed by the President or Senate; to make all required arrests of members or other persons, and to retain the same in custody; to have the charge and responsibility for the postal requirements of the Senate; to refurbish furniture; to oversee and conduct office and building maintenance; and generally to execute all of the requirements of and be answerable to the President of the Senate.

Rule 9 Assistant Sergeant-at-Arms.

The Assistant Sergeant-at-Arms shall assist the Sergeant-at-Arms in the performance of all duties and attend to such duties as may be required when so directed by the President. In the absence of the Sergeant-at-Arms, the Assistant Sergeant-at-Arms shall perform all duties of the Sergeant-at-Arms.

Rule 10 Responsibilities of Officers and Employees.

The employees of the Senate shall perform such duties as may be assigned by the President or prescribed by the Senate.

All officers and employees of the Senate shall be directly answerable to the President and, upon the President's consultation with the Vice President, shall perform all the President's orders and directions, subject to revision by the Senate and to confidentiality guided by standards of professional conduct. Employees under the supervision of a Senate member shall be directly answerable to the Senate member.

An oath of office shall be administered to each officer by the President.

Rule 11 Majority and Minority Party Organization and Staff.

(1) Members of the majority and minority parties may adopt rules of procedure and administration for their respective caucuses. The rules shall not be inconsistent with the Rules of the Senate, and any such rule of procedure for the caucus shall not be enforceable on the floor of the Senate.

(2) The establishment and staffing of the majority and minority staff offices shall be subject to budgetary constraints in the budget for the Senate that is prepared and administered under Rule 4.

Rule 12 Pay of Members, Officers and Employees.

(1) Each member of the Senate, upon being elected or appointed to office, shall receive as compensation such salary as prescribed pursuant to Article III, Section 9, of the Hawai'i State Constitution.

(2) The officers, except the President and Vice-President, and the employees shall receive compensation as the Senate shall fix.

PART II. COMMITTEES

Rule 13 Committees: Types and Composition.

(1) Standing Committees: The membership of each Standing Committee shall be appointed by the President subject to action by the Senate. The respective Chairs and Vice Chairs of each Standing Committee shall be appointed by the President, subject to action by the Senate. The majority and minority parties shall to the extent practicable be represented on all Standing Committees on a proportional basis or on such basis as may be prescribed by the Senate.

(2) Leadership Committees shall include majority and minority members drawn from the ranks of the Senate leadership.

(3) Special Committees shall consist of not less than three members each, unless otherwise ordered by the Senate or provided by these Rules, include a member or members of the minority party, and upon consultation with the Majority and Minority Leaders, shall be appointed by the President from time to time as occasion requires, to serve until discharged or finally reporting the specific matter referred. The Senate may establish investigative committees pursuant to Chapter 21, Hawai'i Revised Statutes; such committees shall have such powers and be bound by such conditions as may be provided by law or by these Rules.

(4) Conference Committees shall consist of not less than three members each and be managed by the Chair of the Standing Committee having primary responsibility of the subject matter to be resolved, unless otherwise ordered by the Senate. The members of the Conference Committee shall be appointed by the President from time to time as occasion requires, to serve until discharged or

finally reporting the matter referred. The President may discharge a Conference Committee only upon concurrence with the Majority Leader.

- (5) The Committee of the Whole Senate.

Rule 14 Committee Chairs and Vice Chairs.

The first person named on the committee shall be the Chair, and the second member named shall be Vice-Chair. The Chair of committees shall call meetings and preside. If a chair so requests, the vice chair shall call the meeting and preside.

The purview of the Vice Chair of the Committee on Ways and Means includes the Capital Improvement Project Program Budget for the State of Hawai'i.

Rule 15 Committees: Control and Excuse from Membership.

Committees shall be under the control of and subject to the orders of the Senate, and shall faithfully carry out such orders. Any member may be excused from serving on any committee at the time of appointment, if already a member of four other committees.

Rule 16 Standing Committees.

Standing Committees shall be appointed for major subject matter areas at the opening of the session, or as soon thereafter as possible. The Standing Committees and their areas of jurisdiction shall be as follows:

(1) Committee on Agriculture and Environment (AEN). The purview of this committee includes agriculture and aquaculture, including mariculture; and population, environmental quality control and protection, including litter control, recycling, wastewater treatment, endangered species, invasive species and hazardous waste.

(2) Committee on Commerce, Consumer Protection, and Health (CPH). The purview of this committee includes those programs relating to business regulation, professional and vocational licensing, consumer protection, financial institutions, insurance regulation, public utility regulation, telecommunications regulation, the landlord tenant code, condominium property regimes, and leaseholds; and general health, maternal and child health, communicable diseases, dental health, medical and hospital services, mental health, developmental disabilities, and hospitals.

(3) Committee on Economic Development, Tourism, and Technology (ETT). The purview of this committee includes those programs relating to economic development, including but not limited to authorities and corporations administratively attached to the Department of Business, Economic Development, and Tourism unless the authority or corporation is within the purview of another Committee pursuant to this Rule, other emerging industries development, financial and technical assistance to business, film and digital media production, astronomy, biochemistry, biomedicine, biotechnology, other scientific research and development activities, recreation, including commercial ocean recreation activities, sports and athletics, and the Aloha Stadium; and those programs relating to tourism, including but not limited to the Hawai'i Convention Center, Hawai'i Visitors and Convention Bureau, and the Hawai'i Tourism Authority; and development of technology, including but not limited to the use of information storage, transmissions, processing, and telecommunications.

(4) Committee on Education (EDU). The purview of this committee includes those programs relating to early childhood learning, early education, including the Hawai'i P-20 Initiative, public schools, continuing education, and the public libraries.

(5) Committee on Government Operations (GVO). The purview of this committee includes those programs relating to state government operations policy, including government efficiency, The Procurement Code, and state facilities unless the state government operations policy, including government efficiency, departmental procurement, and state facilities is within the purview of another Committee pursuant to this Rule.

(6) Committee on Hawaiian Affairs (HWN). The purview of this committee includes those programs relating to Hawaiian affairs, including but not limited to the Office of Hawaiian Affairs, Hawaiian home lands, sovereignty, and burial councils.

(7) Committee on Higher Education (HRE). The purview of this committee includes those programs relating to the University of Hawai'i, the community college system, private higher education bond financing, and other education matters relevant to higher education, but excluding the Hawaii P-20 Initiative.

(8) Committee on Housing (HOU). The purview of this committee includes those programs relating to affordable and public housing, urban renewal, community development, housing development, and the housing of, or sheltering of, the homeless.

(9) Committee on Human Services (HMS). The purview of this committee includes those programs relating to public assistance, Medquest, youth services, day care programs under the Department of Human Services, vocational rehabilitation, long term care, promotion of the general well-being of Hawaii's youth, families, elderly population, and services relating to homelessness.

(10) Committee on Judiciary (JDC). The purview of this committee includes those programs relating to the courts, crime prevention and control, including juvenile justice matters, criminal code revision, statutory revision, campaign spending and elections, ethics, constitutional matters, the Attorney General, Public Defender, and Judiciary, and individual rights and civil liberties; international affairs, international relations, foreign policy issues, and foreign relations; and culture and the arts in the State, including but not limited to programs relating to historic preservation.

(11) Committee on Labor (LBR). The purview of this committee includes those programs relating to public officers and employees, labor, employment opportunities and training, labor-management relations, collective bargaining, the Employees' Retirement System, and the Hawai'i Employer-Union Health Benefits Trust Fund.

(12) Committee on Public Safety, Intergovernmental, and Military Affairs (PSM). The purview of this committee includes those programs relating to public safety, corrections, the narcotics division, the sheriffs division, civil defense, disaster readiness, state building code; and space exploration and aerospace development; and county and federal relations, and matters of concern to the counties; and military and veterans' affairs.

(13) Committee on Transportation and Energy (TRE). The purview of this committee includes those programs relating to air, water, and surface transportation, and transit-oriented development as it relates to transportation projects; and energy resources, including the development of alternative energy resources.

(14) Committee on Water and Land (WTL). The purview of this committee includes those programs relating to state planning, sustainability, land and water management, forest management and reserve, coastal zone management, land reclamation, naturally occurring fisheries, ocean resources, state parks and beaches, management areas, including ocean recreation management areas and small boat harbors, and transit-oriented development as it relates to land use.

(15) Committee on Ways and Means (WAM). The purview of this committee includes those programs relating to overall state financing policies, including revenue enhancement, taxation, other revenues, and cash and debt management, statewide implementation of planning, programming, budgeting, and evaluation, and government structure and finance.

Rule 17 Standing Committees: General Responsibility.

(1) General Responsibility. On the bills referred to it, the committee shall determine objectives, make program recommendations and, where appropriate, make expenditure recommendations. For those bills which require appropriations, the committee shall make expenditure recommendations consistent with the expenditure allocations established for the bills by the Committee on Ways and Means, which shall make the final recommendation to the Senate.

(2) Subsequent referral committees; prior concurrence. On bills that have been referred to more than one committee, unless otherwise ordered by the Senate, the subsequent referral committee shall make no substantive change, except changes which affect the subject matter over which the subsequent referral committee has primary jurisdiction, without prior written approval of the preceding referral committee chair having primary jurisdiction over the subject matter affected by the change.

Rule 18 Committee on Ways and Means: Special Responsibility.

It shall be the duty of the Committee on Ways and Means, in considering the General Appropriations Bill or the Supplemental Appropriations Bill, to determine for each fiscal year of the biennium the appropriate level of total expenditures and the level of expenditures for program areas.

To the extent practicable, the Committee on Ways and Means shall make available to members of the Senate the contents of the General Appropriations Bill or the Supplemental Appropriations Bill during the 48-hour period prior to the passage of such bills on third and final reading.

Concerning all other bills requiring appropriations, it shall be the duty of the Committee on Ways and Means to inform the Standing Committee responsible for the program area to which the appropriation relates of the amount and type of financial resources available, and it shall review the expenditure recommendation of the Standing Committee to determine that the recommendation is consistent with the resources available.

In determining the amount and type of resources available for a bill requiring an appropriation and in reviewing the expenditure recommendation of the Standing Committee, the Committee on Ways and Means shall invite the recommendation of the chair of the Standing Committee responsible for the program area to which the appropriation relates.

Rule 19 Leadership Committees.

Leadership Committees, upon consultation and agreement with the Majority and Minority Leaders, may be appointed by the President at the opening of the session, or as soon thereafter as necessary. A leadership Committee on Legislative Management, upon consultation and agreement with the Majority and Minority Leaders, may be appointed by the President to perform the duties and responsibilities of the Committee as may be provided by law, or to make recommendations to the President on issues of Senate policy. Because Leadership Committees have jurisdiction over issues of organizational and institutional interest to the Senate, their membership shall include members drawn from the ranks of the Senate Leadership, thus assuring high-level consideration of these issues.

Rule 20 Special Committees on Accountability.

The President may appoint a Special Committee on Accountability which shall conduct informational briefing on matters referred to it by Senate Leadership or investigate matters referred to it by single house or concurrent resolutions. The committee shall be composed of not less than five members, unless otherwise ordered by the Senate, and include a member or members of the minority party. The President shall appoint the committee's vice chair, who may change from time to time, to represent the standing committee having primary jurisdiction over the subject matter referred to the special committee.

Each Special Committee on Accountability shall terminate at the end of the calendar year in which it was appointed, unless otherwise specified. All requirements of standing committees shall apply to the committee.

Rule 21 Meetings of Committees.

Meetings, including decision-making sessions, of leadership committees appointed by the President, and Standing Committees shall be public provided that meetings in executive session may be allowed in such exceptional circumstances when committee discussion could unfairly damage the reputation of individuals or where there is a legal question concerning a bill.

Notice of meetings shall include the number and title of the bills or resolutions, and brief descriptions and committee referrals of each of the subject matters to be covered. The notice for the first Senate meeting on a measure shall be filed at least 72 hours before the meeting and at least 48 hours before any subsequent meeting. The notice for any meeting to be held on the first work day of the week shall be filed no later than 4:00 p.m. on the last work day of the prior week.

These notice requirements may be waived with the approval of the President upon good cause shown. The 72 hour notice requirement is waived for the initial decision-making meeting for short form bills and informational briefings.

No committee shall sit during the time when the Senate is actually in session without first securing the approval of the President, except Conference Committees that may sit at any time.

As practicable, committees shall schedule their meetings at times and at places as are convenient for attendance by the general public, and in coordination with other committees of the House or Senate, shall endeavor to hold joint meetings and public hearings on matters of mutual interest.

The meetings of a Conference Committee shall be conducted as agreed upon by the members of the Conference Committee. Conference Committee meetings and decision-making sessions shall be public. Public notice of Conference Committee meetings shall be given to the extent practicable.

Rule 22 Decision-Making by Committee.

(1) The chair of a standing committee may commence a decision-making meeting and open discussion on matters referred to the committee without a quorum; provided that the decision-making by the committee on matters that are referred to it shall be conducted with a quorum of the committee present. A quorum shall be a majority of the membership of the committee.

(2) A favorable vote of a majority of the members present at a decision-making meeting duly constituted with a quorum is required to report a matter out of committee. A member voting "with reservations" shall be counted as a favorable vote.

(3) The presence of a quorum and the final vote of each member who is present at the decision-making meeting of a standing committee shall be recorded by the chair or by a member of the committee designated by the chair. This record shall be attached to and shall be a part of the report of the standing committee.

Rule 23 Public Hearings on Bills.

(1) Subject to this rule, the selection and scheduling of a bill for public hearing shall be at the discretion of the chair of the committee having jurisdiction over the bill.

(2) The chair's determination that a bill will have a public hearing shall be final notwithstanding the opposition of a majority of the members of the committee.

(3) At the written request of a majority of the members of the committee, the chair shall schedule a bill for public hearing.

(4) If a bill:

(A) Has been referred to more than one standing committee and at least one committee hearing is required for passage of the bill out of the Senate;

(B) Contains any significant or substantial amendment made by a committee other than the last standing committee to which the bill has been referred; and

(C) The public has not been provided with an opportunity to submit testimony on the significant or substantial amendment;

then, prior to reporting the bill out of the last standing committee, the last standing committee to which the bill was referred shall hold a public hearing to provide the public with the opportunity to testify on the bill.

Rule 24 Committee Reports.

(1) The leadership committees as may be appointed by the President and Standing Committees shall report from time to time upon all matters referred to them.

(2) Special Committees shall report upon matters referred to them within the time permitted in the appointment of the Special Committee unless further time is given by vote of the Senate.

(3) A Conference Committee shall not report upon the matter referred unless a majority of the members of each house appointed by their respective presiding officer have concurred in the report.

Rule 25 Committees: Fact-finding and Content of Reports.

(1) Whenever any matter shall be referred to a committee it shall be the duty of the committee to make diligent inquiry into all of the facts and circumstances connected with the matter. If necessary, witnesses shall be summoned or subpoenaed, and everything shall be done to bring all facts pertaining to the matter before the Senate in accordance with the provisions of Chapter 21 of the Hawai'i Revised Statutes. The President may exercise such powers authorized under Chapter 21, relating to the issuance of subpoenas, and the

President, committee chair and other duly delegated members of the Senate may exercise such powers authorized under Chapter 21 aforesaid, relating to the administering of oaths, and the compelling of witnesses who have been subpoenaed to testify. All committee meetings held on matters referred to it by the Senate shall be open to the public unless otherwise ordered by the Senate or otherwise provided by these Rules.

(2) The report of the committee shall state findings of fact and conclusions based thereon, together with a distinct recommendation as to the disposal of that matter. A report recommending a measure for passage shall clearly state the legislative intent and purpose of the measure.

(3) The report shall also include the identity of organizations or titles of individuals representing organizations who submitted testimony on legislation for, against or comments only on the measure. A summary of any individual or individuals who submit testimony as private citizens shall also be provided.

(4) A report upon a bill shall state clearly the amendments, if any, proposed. If a substitute bill for one or more referred to the committee shall be reported, such substitute bill shall agree with the subject of the bill or bills referred to the committee.

(5) The committee shall report whenever a majority of the members present at the decision-making meeting duly constituted with a quorum is in favor of reporting the bill or resolution out of the committee. The report, after being made available, for review by the members of the committee, and after subsequent revisions thereto, if any, shall be the final report of the committee. The final report of the committee shall be attested to by the signature of the chair on behalf of the members of the committee. The action of the committee on the bill or resolution or any amendments thereto, if any, and the final vote of each member of the committee recorded by the chair or the chair's designee at a decision-making meeting shall not be changed in the review of the report, unless the change is made at an open decision-making meeting conducted with a quorum of the committee present. The minority of the members present at any decision-making meeting duly constituted with a quorum may report.

Rule 26 Committee of the Whole.

(1) The Senate from time to time may resolve itself into a Committee of the Whole. Whenever any matter shall be referred to such committee upon the adoption of a motion to that effect, the President shall call some member to take the Chair (unless the Senate shall nominate a chair), which being done, the Senate then shall be in committee.

(2) The Clerk of the Senate shall act as Clerk of the Committee of the Whole without extra compensation, and shall make a careful record of the proceedings, which shall be filed as one of the records of the Senate.

(3) The Committee, on motion, may rise and ask leave to sit at any future time.

(4) When a bill shall be referred to the Committee of the Whole, the bill shall be first read throughout by the Clerk, and then again read and debated by sections, leaving the preamble to be the last. All amendments, noting the page and line, shall be duly entered by the Clerk on a separate paper, as the same shall be agreed to by the committee, and so reported. When a bill is ordered into Committee of the Whole, such order may dispense with the reading of the whole bill before considering it section by section.

(5) In Committee of the Whole, the rules of procedure in the Senate shall be observed except that any member may speak more than once on the same subject, but no person shall speak a second or further time until others desiring to speak shall have had an opportunity, nor shall the motion for the previous question be allowed. A time limit for debate may be fixed by vote.

PART III. SESSIONS; ATTENDANCE; NOMINATIONS

Rule 27 Meetings.

(1) The Senate shall meet for the transaction of public business every day, except Saturdays, Sundays, legal holidays and such other days as the Senate shall designate by motion or resolution duly adopted and entered in the Journal.

(2) The regular hour of meetings of the Senate is established at eleven-thirty o'clock a.m. but the hour of meeting, recess and adjournment for any day may be such as the Senate, by motion, shall decide from time to time.

Rule 28 Attendance.

No member shall be absent from the sessions of the Senate unless given leave by the President or unless the member is sick and unable to attend.

Rule 29 Extension of Session.

Two-thirds of the members to which the Senate is entitled, two-thirds of the House of Representatives concurring, may petition the President of the Senate and the Speaker of the House to extend any session of the Legislature. The petition shall read:

“To the President of the Senate and the Speaker of the House of Representatives

Your petitioners, members of the Senate and of the _____ Legislature of the State of Hawai‘i, respectfully request an extension of _____ days of the _____ session of _____ of the _____ Legislature of the State of Hawai‘i.”

The petition shall be in writing, above the signatures of the members.

When the President of the Senate receives such a petition, and it is properly signed by two-thirds of the members to which each house is entitled, the President and the Speaker of the House of Representatives shall jointly issue a proclamation extending the session for the number of days sought in the petition.

Rule 30 Recessed Session.

Any session of the Legislature may be recessed by concurrent resolution adopted by a majority of the members to which each house is entitled. Each regular session shall be recessed pursuant to Article III, Section 10, of the Hawai'i State Constitution for not less than five days at some period between the twentieth and fortieth days of the regular session.

Rule 31 Special Sessions.

(1) Two-thirds of the members to which the Senate is entitled, two-thirds of the House of Representatives concurring, may petition the President of the Senate and the Speaker of the House to call a special session of the Legislature. The petition shall read:

“To the President of the Senate and the Speaker of the House of Representatives

Your petitioners, members of the Senate and of the House of Representatives of the _____ Legislature of the State of Hawai'i, respectfully request that a special session of the _____ Legislature of the State of Hawai'i be convened at _____.”

The petition shall be in writing, above the signatures of the members.

When the President of the Senate receives such a petition, and it is properly signed by two-thirds of the members to which each house is entitled, the President of the Senate and the Speaker of the House of Representatives shall jointly issue a proclamation convening the Legislature in special session at the time and place sought in the petition.

(2) Two-thirds of the members to which the Senate is entitled may petition the President of the Senate to call a special session of the Senate for the purpose of carrying out the Senate's responsibilities under Article VI, Section 3, of the Hawai'i State Constitution. The petition shall read:

“To the President of the Senate

Your petitioners, members of the Senate of the _____ Legislature of the State of Hawai'i, respectfully request that a special session of the Senate of the State of Hawai'i be convened at _____.”

The petition shall be in writing, above the signatures of the members.

When the President of the Senate receives such a petition, and it is properly signed by two-thirds of the members to which the Senate is entitled, the President of the Senate shall issue a proclamation convening the Senate in special session at the time and place sought in the petition.

(3) A meeting of the Senate may be convened at any time for the purpose of carrying out the Senate's responsibilities under Article III, Section 12, of the Hawai'i State Constitution, by a petition submitted to the Clerk of the Senate signed by a majority of the members to which the Senate is entitled. In such meeting, the Senate may organize itself, choose its officers, and adopt rules for its administration. The petition shall read:

“To the Clerk of the Senate

The petitioners, members of the Senate of the _____ Legislature of the State of Hawai'i, shall convene a meeting of the Senate of the State of Hawai'i at _____.

The meeting of the Senate shall be held for the purpose of carrying out the Senate's responsibilities under Article III, Section 12, of the Hawai'i State Constitution to organize itself, choose its officers, and adopt rules for its administration.

The petition shall be in writing, above the signatures of the members.

When the Clerk of the Senate receives such a petition, and it is properly signed by a majority of the members to which the Senate is entitled, the Clerk of the Senate shall issue a notice of the meeting for the time and place sought in the petition.

Rule 32 Adjournments.

Meetings may be adjourned at any time. Unless otherwise specified in the motion, every adjournment shall be considered as being to the established hour of meeting on the following business day; but no adjournment shall be for more than three days, or sine die, without the consent of the House of Representatives.

Rule 33 Motion to Adjourn.

A motion to adjourn is always in order, and shall be decided without debate. One motion to adjourn shall not follow another without intervening business.

Rule 34 Quorum.

For the transaction of business, a majority of the number of members to which the Senate is entitled shall constitute a quorum, of which quorum a majority vote shall suffice, but the final passage of a bill shall require the vote of the majority of the members of the Senate. A smaller number than a quorum may adjourn from day to day and compel the attendance of absent members. For the purpose of compelling the attendance of absent members, a majority of the members present, by resolution, may direct the Sergeant-at-Arms to place the members who are absent under arrest and return them to the Senate. Any warrant pursuant to such a resolution shall be issued in the name of the Senate and shall be signed by the member then presiding. For the purpose of ascertaining whether there is a quorum present, the President shall count the members present.

Rule 35 Executive Session.

(1) If the Senate considers it necessary to act confidentially upon any communication from the Governor or upon any nomination or other matter, it may go into executive session.

(2) When any member desires to make known any matter to the Senate which the member deems should be confidential and private, the member shall communicate that desire to the President who shall decide whether the Senate shall go into executive session. The Senate may decide whether the matter communicated shall be kept secret.

Rule 36 Clearing of the Senate.

(1) When acting upon confidential business in executive session, the Senate Chambers shall be cleared of all persons except the members of the Senate and such other persons as the presiding officer with the consent of the Senate shall deem necessary.

(2) The members, officers and employees shall keep the secrets of the Senate and any other person whose presence is permitted in executive session shall be sworn to secrecy.

(3) All confidential communications made to the Senate, and remarks, votes and proceedings thereon, shall be kept strictly secret by the members, officers and employees, as well as by such other persons as have been detained or permitted to attend upon the consideration of such matters, until the Senate, by resolution, takes off such seal of secrecy, or unless such matter be later considered in open session.

Rule 37 Nominations; Appointments.

(1) Nominations made by the Governor and removal of the chief legal officer of the State which require the advice and consent of the Senate, and appointments which require the confirmation or consent of the Senate shall be referred to the standing committee having jurisdiction within five legislative days of receipt of the nomination or appointment. The standing committee to which a nomination, removal of the chief legal officer or appointment is referred, shall report to the Senate with a recommendation to advise and consent, confirm, or reject on or before the fifty-ninth day of the session.

(2) Except for the appointment of a justice or judge, a nomination or appointment made by the Governor which is received by the Senate after the forty-first day of the session of the Legislature shall be returned to the Governor without action, unless a confirmation or consent is required to further a public purpose which cannot be satisfied by an interim appointment. Notice of this rule shall be given to the Governor not later than the twentieth day of the session of the Legislature.

(3) The final question on nominations made by the Governor shall be: "Will the Senate advise and consent to this nomination?"

(4) The final question on the removal of the chief legal officer of the State shall be: "Will the Senate advise and consent to the removal of the chief legal officer of the State?"

(5) The final question on appointments made by the Governor which require the confirmation or consent of the Senate shall be: "Will the Senate confirm (or consent) to this appointment?"

(6) The final question on nominations, removal of the chief legal officer or on appointments shall not be put sooner than twenty-four hours from the time when the nomination or appointment is received, nor on the day in which it may be reported by a committee, unless by unanimous consent.

(7) Public hearings shall be held for all nominees, for the removal of the chief legal officer of the State, and for all appointees prior to confirmation or consent by the Senate.

(8) Consent to the appointment of justices and judges shall be pursuant to Article VI, Section 3, of the Hawai'i State Constitution.

Rule 38 Meeting at a Place Other than the Capitol.

Whenever, for any reason, the Governor shall convene the Senate at any place other than the Capitol, it shall attend together with all of its officers at the time and place ordered.

PART IV. ORDER OF BUSINESS**Rule 39 Order of Business: General.**

After roll call and the reading of the Journal, the President shall call for business in the following order:

- (1) Messages from the Governor.
- (2) Reports and communications from the state officers.
- (3) Communications, bills, resolutions and other matters from the House of Representatives.
- (4) Concurrent and senate resolutions and introduction of bills.
- (5) Reports of Conference and Joint Committees.
- (6) Reports of the Leadership Committee on Legislative Management.
- (7) Reports of Standing Committees.

- (8) Reports of other Leadership Committees.
- (9) Unfinished business, upon which the Senate was engaged at the time of its last adjournment.
- (10) The Order of the Day.
- (11) Miscellaneous communications.
- (12) Any miscellaneous business on the President's table.

Rule 40 Order of Business: Special.

The Senate, by previous motion, may direct that any matter named shall be made a special order of business and that such special order shall take precedence of all business after the fourth order, or that it shall take any other position lower down on the calendar.

Rule 41 Order of Business: Committee Reports and Gubernatorial Messages.

Reports from Conference or Joint Committees, and from Leadership Committee on Legislative Management, shall be in order at all times after the second order of business, and, upon motion, messages from the Governor or from the House of Representatives may be received at any time. Without unanimous consent, however, such messages or reports shall not be in order for discussion when received, but shall be placed on the calendar as unfinished business.

Rule 42 Order of Business: Order of the Day.

- (1) All floor votes on legislation will be posted on the order of the day.
- (2) After the first seven orders of business set forth in Rule 39, it shall be in order, pending consideration thereof, to move that the Senate proceed to dispose of the unfinished business or to the Order of the Day. If such motion be decided in the affirmative, such consideration shall immediately be taken up.

Rule 43 Order of Business: Unfinished Business.

The unfinished business in which the Senate was engaged at the time of the last adjournment shall have the preference in the Order of the Day. Until the former is disposed of, no motion for any other business shall be received without special leave of the Senate.

Rule 44 Order of Business: Questions on Priority.

All questions relating to the priority of business to be acted upon shall be decided without debate.

PART V. BILLS**Rule 45 Bills: Introduction.**

Any bill may be introduced on the report of the committee or by any member, except appropriation bills subject to the next paragraph, and except short form bills which may only be introduced by the majority leader or the minority leader after appropriate consultation with committee chairs and other members of the Senate.

The Executive Budget, Judiciary Budget, Legislative Budget, General Appropriations Bill, Supplemental Appropriations Bill, Office of Hawaiian Affairs Budget, and bills for criminal injuries compensation, for claims against the State and for funding of collective bargaining agreements may be introduced only by the President. Each member may introduce only one bill appropriating money for capital improvements projects in the member's district. The majority leaders and the minority leader shall develop a policy governing introduction by individual members of bills intended to appropriate money or to authorize the issuance of state bonds.

Bills, which shall carry over from a regular session in an odd-numbered year to the next regular session, shall retain the numbers assigned to them. The Clerk shall keep a record of the status of all bills in possession of the Senate at the end of the odd-numbered year session and shall publish the record of the status of all such bills prior to the convening of the next regular session.

Every bill introduced or reported out of any committee, which amends an existing section or subsection of the Hawai'i Revised Statutes or Session Laws of Hawai'i, shall set forth the section or subsection in full, and the matter to be deleted shall be enclosed in brackets and stricken and any new matter added to the section or subsection shall be underscored. However, a Supplemental Appropriations Bill need not conform to this rule, nor an amending bill where the intent and effect of the amending bill can be clearly identified and understood without repeating the entire section or subsection, in which case only the paragraphs, subparagraphs, clauses or items to be amended need be set forth as the President may allow. The President may allow additional exceptions to this rule.

Rule 46 Bills: Referral to Committee.

- (1) Upon introduction, all bills shall be numbered by the Clerk in numerical sequence, shall bear an identification as a Senate Bill, and shall pass first reading.
- (2) The majority research office shall make recommendations to the majority leadership on the referral of each such bill to appropriate Leadership or Standing Committees.
- (3) Each such bill shall be referred by members of the majority leadership appointed by the President, to one or more appropriate Leadership or Standing Committees for consideration.

(4) Any referral may be reconsidered by the President upon written request of any chair who is aggrieved by the referral made within three working days. The President shall decide the request for reconsideration within a reasonable time, which decision shall be final. No request for reconsideration shall be considered if the timing of the request would have the effect of killing a bill or resolution.

(5) Any proposed senate draft that makes major amendments or wholesale changes that could affect the referral of the bill shall be submitted to the President for review and if the President deems it appropriate, the bill may be re-referred as determined by the President. The President's determination of any proposed re-referral shall be made within twenty-four hours of receipt of the proposed senate draft.

(6) Each Leadership and Standing Committee shall consider the bills and other matters referred to it as expeditiously as may be possible.

Rule 47 Bills: Required Readings.

No bill shall pass the Senate unless it shall have passed three readings in the Senate on separate days. The President shall give notice in each instance whether it be the first, second or third reading.

Rule 48 Bills: First Reading.

(1) The first reading of a bill shall be for information. If opposition be made to it, the question shall be: "Shall this bill be rejected?" which question may be debated. But no one shall speak more than once upon such question, except the introducer of the bill, who may close the debate.

(2) If the question to reject be negative, the bill shall go to its second reading without question.

Rule 49 Bills: Second Reading.

A bill upon its second reading may be read by its title only. It then shall be subject to a motion to commit. If it is not referred to a Leadership Committee, Standing Committee, or Special Committee, but is ordered to be considered in Committee of the Whole, a day for such consideration shall be determined by the chair of such committee. When the bill is reported from committee it shall take its place in the order of business for future consideration.

Rule 50 Bills: Third Reading.

(1) No bill shall pass third or final reading in the Senate unless copies of the bill in the form to be passed have been made available to the members of the Senate for at least 48 hours. Form to be passed means the form in which a bill is to be (a) passed on third reading in the Senate, (b) concurred to by the Senate after amendments have been made by the House, or (c) passed by the Senate after a Conference Committee has agreed upon it.

(2) A bill on its third or final reading may be read by its title only. Upon the final passage of any bill, the Ayes and Noes shall be called. Such passage shall require the affirmative vote of a majority of all the members of the Senate and the Ayes and Noes shall be entered on the Journal.

(3) All bills, except on first reading, shall be identified by title on the Order of the Day before consideration by the members unless waived by the President.

Rule 51 Bills: Property of Senate.

All bills introduced in the Senate shall be deemed the property of the Senate and under its control unless they shall become law, subject however to the right of the House of Representatives to amend or to refuse to agree with the bills.

Any bill pending at the final adjournment of a regular session in an odd-numbered year shall carry over with the same status to the next regular session; provided that if such bill shall have passed third reading in the Senate in an odd-numbered session, it shall pass at least one reading in the Senate in the next regular session upon its return to the Senate from the House.

Rule 52 Bills: Recall from Committee.

Twenty days after a bill has been referred to a committee, the same may be recalled from such committee by the affirmative vote of one-third of the members of the Senate.

Rule 53 Matters Tabled.

When a bill or resolution or other matter has been laid upon the table, it shall not thereafter be taken from the table and be considered or restored to a place upon the calendar of the Senate without the consent of a majority.

Rule 54 Bills: Amendments.

(1) All amendments proposed to any bill shall be in writing, unless otherwise ordered by the Senate, and shall be sent to the Clerk's desk to be filed with the bill.

(2) The fundamental purpose of any amendment to a bill shall be germane to the fundamental purpose of the bill.

(3) The Clerk shall prepare and distribute copies of any proposed floor amendment to each member of the Senate present.

(4) A floor amendment shall be deemed pending only after its proponent has been recognized by the President and its adoption has been properly moved and seconded.

(5) A floor amendment that relates to a different subject, is intended to accomplish a different purpose, incorporates any other bill pending before the Senate, or would alter the nature of the bill as reported, is not germane and shall not be considered by the Senate.

(6) An amendment to a floor amendment that is not germane to both the floor amendment and the bill as reported shall not be considered by the Senate.

Rule 55 Bills: Certification.

When a bill is passed it shall be certified by the Clerk who shall note the day of its passage in the journal along with a record of the ayes and noes.

Rule 56 Bills: Received from House of Representatives.

Whenever a House bill which has passed Third Reading in the House of Representatives shall be certified to the Senate for its action, such bill shall be read three times before final passage, in accordance with the provision of the rules for the passage of bills introduced in the Senate.

Rule 57 Bills: Transmittal to House of Representatives.

When a bill originating in the Senate shall have passed its third reading, or when a bill originating in the House which has been received from the House shall have been amended, or when a carry-over bill from an odd-numbered year originating in the House passes its third reading in the Senate in an even-numbered year session, such bill or such amended bill shall immediately be certified by the President and Clerk and sent to the House of Representatives for its consideration.

Rule 58 Bills: Correction of Errors.

When a bill has passed both the Senate and the House of Representatives and an error in it is discovered prior to its having received the approval of the Governor, the bill may be returned by Concurrent Resolution to the house last considering the bill for proper correction.

Rule 59 Bills: Order of Consideration.

(1) The Clerk shall ensure that bills that have passed first reading are made immediately available. When the bills have been made available to the members of the Senate, the Majority Leadership, appointed by the President, shall refer the bills to the various committees. When the committees have considered the bills and reported on them, the committees shall return the bills to the Clerk, and the Clerk shall place the bills in the Second Reading File. The Senate shall consider the bills in the order in which they appear in the Second Reading File.

(2) The Clerk shall arrange bills that have passed second reading in the order of their passage on second reading, regardless of the date of their reference to committee or the date of the committee report on them. The Clerk shall place them on the Third Reading File in the order in which they passed second reading and the Senate shall consider them on third reading in that same order. However, if the third reading of a bill is set for some particular date, that bill shall be removed from the Third Reading File.

Rule 60 Bills: Special Order of Consideration.

All bills and other matters set for consideration on particular dates, shall be arranged in the order of the several votes making such assignments. A list shall be made of such special orders, and when the time for consideration arrives, such bills and other matters shall be considered in the order of assignment. If an adjournment shall be had before all of such special orders are disposed of, the remainder shall go over and come under the head of unfinished business on the following day, unless otherwise ordered.

PART VI. RESOLUTIONS; MOTIONS

Rule 61 Resolutions and Motions: Form.

All resolutions shall be typewritten, dated and signed by the introducer, otherwise they shall not be considered. The Senate shall not introduce any congratulatory, commemorative or memorial resolution but shall express the sentiment contained in such resolutions by means of a suitable certificate. Motions and amendments may be verbal but shall be reduced to writing if requested by the President, and shall be read from the desk if so ordered.

Rule 62 Motions: Disposition.

After a motion is stated or read by the President, it shall be deemed to be in the possession of the Senate, and shall be disposed of by vote of the Senate; however, it may be withdrawn by the mover at any time before an amendment has been adopted or before the decision on the motion if not amended.

Rule 63 Motions Applicable to Pending Matters.

Whenever any bill or resolution or other matter shall be under discussion, the only motions relative thereto shall be:

- (1) To lay upon the table,

- (2) To postpone to a certain time,
- (3) To postpone indefinitely,
- (4) To commit or recommit, and
- (5) To amend, which motions shall have precedence in the order named.

The first two motions shall be decided without debate and shall be put as soon as made.

A motion to recommit will require a floor vote.

When any of the motions shall be decided in the negative, they shall not be revived the same day relative to the main question under discussion. If all are negative as aforesaid, the only remaining question shall be as to the adoption of the bill, resolution or other main question.

Rule 64 Matters Postponed Indefinitely.

When a question is postponed indefinitely, the question shall not be acted upon again during the session in which it was introduced.

Rule 65 Motion for Previous Question.

The object of the motion for the previous question is to cut off debate. It shall always be in order. It shall require a three-fifths vote to carry it.

Whenever the motion shall be carried, the author of the resolution or introducer of the bill under discussion shall be permitted to close the debate, after which the main question, subject to Rule 63, shall be put. The author or introducer may delegate to another such right to close.

Rule 66 Motion for Reconsideration.

(1) When a motion has been once made and carried in the affirmative or negative, it shall not be in order for any member who voted on the side that did not prevail to move for a reconsideration thereof; but any member who voted on the prevailing side may move to reconsider it on the same or the succeeding day of session, or, with the consent of the Senate, on any subsequent day and such motion shall take precedence of all other questions, except a motion to adjourn.

(2) When a motion for reconsideration has been decided by vote, that vote shall not be reconsidered.

(3) When a bill or resolution or other matter upon which a vote has been taken shall have gone out of the possession of the Senate, and shall have been transmitted to the House of Representatives, a motion to reconsider shall be deemed to include a request to the House to return the same. If not complied with by the House, then the vote on the motion to reconsider shall be set aside. If such motion shall pass, the Clerk shall promptly communicate to the House the request for return of the matter to be reconsidered.

PART VII. PETITIONS AND COMMUNICATIONS

Rule 67 Petitions, Memorials, and Miscellaneous Communications.

(1) Any person may petition the Senate. Petitions and other memorials, except as provided in Rule 61, shall be in writing, signed by the petitioners.

(2) All petitions, memorials and other papers addressed to the Senate or to the President and members shall be presented to the Senate by the Clerk.

(3) A brief statement of the contents of such petitions, memorials or other papers shall be made orally by the Clerk.

(4) Every such petition, memorial or other paper shall be ordered filed or referred to a committee, as of course, by the President, unless such action is objected to by a member at the time such petition, memorial or other paper is presented.

(5) No such petition, memorial or other paper shall be debated on the day it is presented, except with the consent of the Senate.

PART VIII. ORDER; DEBATE; VOTING

Rule 68 Questions of Order.

(1) A question of order may be raised at any stage of the proceedings, except during the calling of the roll when the Ayes and Noes are called for. Unless submitted to the Senate, such questions shall be decided without debate by the presiding officer, subject to an appeal to the Senate. Laying such appeal on the table shall be held as sustaining the ruling of the presiding officer.

(2) Any question of order may be submitted to the Senate for its decision.

Rule 69 Debate: General Limitation.

No member shall speak more than twice, unless such member be the mover of the matter pending, in which case such member shall not be permitted to speak in reply until every member choosing to speak shall have spoken.

Rule 70 Voting: Methods.

There shall be five methods of ascertaining the decision of the Senate upon any matter.

(1) First, by voice; Second, by raising of hands; Third, by rising; Fourth, by call of the roll of the members and a record of the Clerk of the vote of each; and Fifth, by unanimous consent.

(2) Whenever the Senate is ready to vote on any question, the President shall rise, and after stating the question, shall request all those in favor of the affirmative of the question to vote "Aye." The President then shall call upon all voting in the negative of the question to vote "No." The President then shall announce the result to the Senate.

(3) If any member shall doubt the result, as announced, the President again shall state the question and call upon the members to vote either by rising in their places, and they shall remain standing until counted, or by raising their hands and the result again shall be announced.

(4) The President shall, when one-fifth of the members present so request, and may, when one member so requests, allow a roll-call vote. Clerk shall call the roll of the members of the Senate. Each member, when called, shall vote in a clear loud voice, "Aye," if voting in the affirmative, or "No," if voting in the negative. The Clerk shall record each vote and such record shall become a part of the Journal of the Senate. The President shall announce the results as above set forth.

(5) With the unanimous consent of the Senate, the President may direct the Clerk to record an "Aye" vote for each member of the Senate. If there is no objection, the Clerk shall so record the vote. If there is objection, the President shall ask for the names of the members voting "No" and order the Clerk to record no votes for them.

Rule 71 Voting: Rights of Members.

(1) No member, on any account, shall refrain from voting unless excused by the President. A member voting "with reservations" shall be counted as a favorable vote. A member may vote "Kanalua" the first time the member's name is called by the Clerk on any vote, but if the member votes "Kanalua" on the next call of the member's name, the member's vote shall be recorded as "Aye."

(2) The President may excuse a member who has a monetary interest in the question, or whose right to a seat in the Senate will be affected by the question, or whose official conduct is involved in the question. If a member thinks there may be a personal interest in the question, the member shall rise and disclose the interest to the President. The President then shall rule whether the member has a conflict of interest. If so, the member shall be excused from voting.

(3) Whenever the Ayes and Noes are called, no one, without unanimous consent, shall be permitted to explain a vote.

(4) After the announcement by the President of the result, no one shall be allowed to vote or to change a vote.

PART IX. DECORUM; DISCLOSURES; PEER REVIEW; PUNISHMENT**Rule 72 Misconduct; Procedure; Peer Review.**

No member of the Senate shall be subject to a charge for misconduct, disorderly behavior, or neglect of duty unless the person making the charge shall have first given notice of the charge to the President and to the member being charged.

Upon receipt of the charge, the President shall attempt to resolve the matter in an administrative proceeding. If the matter cannot be resolved administratively, the President may appoint a Special Committee to be chaired by the Vice-President or such other member as the President may designate to investigate, hear and report upon the conduct of the member charged for misconduct, disorderly behavior or neglect of duty. Any member so charged shall be informed in writing of the specific charge or charges made against the member and have opportunity to present evidence and be heard in the member's own defense before the Special Committee. Following its investigation and hearing, the Special Committee shall file its report with the President setting forth its findings and recommendations.

If the committee recommends dismissal of the charge or charges, the President may dismiss the charges without further hearing, or the President may present the report of the committee to the Senate for its consideration. The Senate, by a majority vote, may dismiss the charge or charges against the member without a hearing.

If there is no dismissal of the charge or charges, or if the committee recommends censure, suspension or expulsion, the President shall present the report of the committee to the Senate for its consideration and decision. The member who is charged, shall be informed in writing of the presentation of the charge or charges of the committee report to the Senate and be given an opportunity to be heard in the member's own defense. The Senate, by a majority vote, may dismiss the charge or charges without a hearing, or with notice and an opportunity to be heard in the member's own defense, censure a member or, upon a two-thirds vote of all the members of the Senate, suspend or expel a member.

At any stage of the charge against a member, the member shall have a right to be represented by a person or persons of the member's own choosing.

Rule 73 Decorum: Transgression of Rules.

If any member transgresses the rules of the Senate, the President, or any member, may call such member to order, and, when so called to order, the member immediately shall sit down. The President then shall decide the question of order without debate, subject to an appeal to the Senate.

The President may call for the sense of the Senate on any question of order.

Rule 74 Decorum: Address.

When any member is about to speak, such member shall rise from the member's seat and address all remarks to the President. While speaking, the member shall confine all remarks to the question under debate, shall refer to other Senators by title only (e.g., "Senator from the _____ District"; "The Chair of the Committee on _____"; "The Majority Leader,") and not by name and shall avoid personalities.

Rule 75 Decorum: Person Called to Order While Speaking.

Whenever any person shall be called to order while speaking, such person shall be deemed to be in possession of the floor when the question of order is decided and may proceed with the matter under discussion.

Rule 76 Decorum: Presence in Senate.

No person shall sit at the desk of the President or Clerk, except by permission of the President, nor shall any person, other than a member, officer or permitted employee or person, sit in the main Senate floor area during any of the sessions of the Senate.

Rule 77 Decorum: Conduct in Session.

When the President is putting any question or addressing the Senate, no one shall walk out of the room or across the floor. When a member is speaking, no one shall entertain a private discourse, nor shall anyone pass between the member speaking and the Chair.

No one shall cause any annoyance or disturbance on the Senate floor by use of sound-emitting electronic devices such as cell phones or pagers.

Rule 78 Decorum: Disorderly Conduct in Session.

If, during any session of the Senate, any member should behave in a disorderly manner the President shall order the member to be seated and preserve the peace. If such member then shall persist in disorderly conduct, the President shall order the Sergeant-at-Arms to remove the member from the Senate and the member shall not be permitted to take a seat during the remainder of that day's session, except upon satisfactory pledge given to the Senate for future good behavior.

Rule 79 Decorum: Recording of Debate Called to Order.

If any Senator is called to order for words spoken in debate, upon the member's demand or on that of any other Senator, the words objected to shall be taken down in writing and noted by the Clerk, and, if required, shall be read for the information of the Senate.

Rule 80 Decorum: Smoking.

No member or other officer shall smoke anywhere within the capitol.

Rule 81 Standards of Conduct.

(1) Members should conduct themselves in a respectful manner befitting the office with which they as elected officials have been entrusted, respecting and complying with the law and acting at all times in a manner that promotes public confidence in the integrity of the Senate.

(2) Members should not lend the prestige of public office to advance the private interests of themselves or others; nor should members convey or permit others to convey the impression that they are in a special position to unduly influence pending public business before them.

(3) Members should treat their fellow Senate members, staff, and the general public with respect and courtesy, regardless of political or religious beliefs, race, ethnicity, sex, sexual orientation, or physical disability.

(4) The legislative duties of members as prescribed by law and these Rules should take precedence over all of their other business or professional activities. Members should freely and willingly accept certain restrictions on their business activities and professional conduct that might be considered burdensome by an ordinary private citizen, and should perform the duties of elected office impartially and diligently. To the greatest extent reasonably possible, members should:

- (A) Refrain from allowing family, social, business, or other relationships to unduly influence the member's legislative conduct or judgment.
- (B) Refrain from showing bias or prejudice, including but not limited to bias or prejudice based on political or religious beliefs, race, ethnicity, sex, sexual orientation, or physical disability, in the performance of their official duties.
- (C) Exercise patience, tolerance and courtesy to all those with whom they deal with in an official capacity, and require staff and others subject to their direction and control to maintain similar standards of conduct, fidelity, and diligence inherent in public service.
- (D) Exercise the power of appointment impartially and on the basis of merit, refraining from making unnecessary appointments and approving compensation of appointees beyond the fair value of services rendered.
- (E) Afford to every person who wishes to participate in the legislative process the opportunity to be heard according to established procedures.

- (F) Consider at all times whether their conduct would create in reasonable minds the perception that their ability to carry out legislative responsibilities with integrity and independence is either questionable or impaired.
- (G) Refrain from using, or permitting the use of, the privileges and prestige of their public office to derive undue personal, professional, or financial benefits for themselves, members of their families, or others with whom they maintain personal, business, or professional relationships.
- (H) Refrain from engaging in financial and business dealings that involve them in frequent transactions, or continuing business or professional relationships, with those persons likely to derive benefits from public financial matters either pending or already deliberated and voted upon by the Senate, to the extent that such conduct may reasonably be perceived as personal exploitation of their public office.

Rule 82 Decorum: Solicitation Prohibited.

An officer or employee of the Senate shall not solicit subscriptions, for any purpose, from any other officer or employee thereof, nor from any Senator. Nor shall any person be permitted to solicit or receive subscriptions or contributions for any purpose on the floor or in the lobby of the Senate or in any Senate office.

Rule 83 Disclosures.

Each member shall file with the Ethics Commission of the State of Hawai'i, a disclosure of the member's private financial interests, as prescribed by law. Each member shall file with the Ethics Commission any change in such financial interests.

If a legislative matter which affects a member's interests arises before the member has made a disclosure to the Ethics Commission, the member shall disclose orally such interest to the Senate before voting. The member then shall immediately make the written disclosure required by law and the Rules of the Senate.

Any member who has filed a disclosure as required by this Rule need not make a further oral disclosure on the Senate floor of any interest so filed.

Rule 84 Violating Confidence.

If any matter covered in Rule 35 or 36 shall be disclosed by any Senator, the Senator shall be liable to censure, or, by a two-thirds vote, to suspension or expulsion from the Senate. If an officer or other person authorized to hear such matter shall disclose the matter, such officer shall be dismissed and such other person shall be liable to punishment for contempt comparable to the punishment provided for by Article III, Section 18 of the Hawai'i State Constitution and in the manner as therein prescribed.

Rule 85 Conflicts of Interest.

(1) No member shall vote on any legislation if the member has a direct financial interest in the legislation, unless the member is part of the class of people affected by the official action based upon the member's profession, trade or business; provided that this rule shall not apply to votes on the recommendations of a committee when a member has disclosed a potential conflict. For the purposes of this rule, a "direct financial interest" means that the legislation affects the legislator's personal business, property, or financial interest.

(2) If a member is uncertain as to whether a conflict of interest exists, the member may request a ruling from the President by giving notice and disclosing the direct financial interest to the President prior to voting. When making a determination in cases where a portion of a measure may place a member in a conflict of interest, the President shall give due consideration to the context of that portion as it relates to the overall purpose of the measure. If the President determines that a conflict exists, the President shall excuse the member from voting.

PART X. QUESTIONS TO STATE OFFICERS**Rule 86 Questions to State Officers.**

Any member of the Senate may ask any question of any state officer relating to the officer's respective department by reducing such questions to writing, over the member's signature, reading the same before the Senate, and furnishing the officer with a copy of such written question. Any officer questioned shall reply to such question upon the following day, unless the Senate shall grant a definite extension of time for replying.

PART XI. AMENDMENT, SUSPENSION AND INTERPRETATION OF RULES**Rule 87 Amendments; Suspension; Violations.**

(1) No rule of the Senate shall be amended or rescinded nor shall any new rule be adopted, without one day's notice of such change. Any such action shall require a majority vote of the members of the Senate.

(2) Any rule may be suspended for a particular purpose upon a majority vote of the members of the Senate.

(3) Any violation of these Rules shall be referred to the President for appropriate action.

Rule 88 Parliamentary Procedure.

Mason's Manual of Legislative Procedures, 2010 edition, where not inconsistent with the Rules and practices of the Senate, shall govern.

PART XII. MISCELLANEOUS POWER**Rule 89 Administrative and Financial Manuals.**

The Senate shall adopt by majority vote an administrative and financial manual of guides, the purpose of which is to establish uniformity in administrative practices and to ensure compliance with Senate policies.

Rule 90 Decorum; Disrespectful Conduct During Session by Non-member.

If, during any session of the Senate, any non-member should behave in a disrespectful or disorderly manner the non-member shall be subject to arrest and removal from the Senate Chamber by the Sergeant-at-Arms or by any other law enforcement officer of the State, as directed by the Sergeant-at-Arms. Any removal of a non-member by the Sergeant-at-Arms and its personnel shall be restricted to removal of the non-member from the Senate Chamber and through non-physical means, whenever possible. Once a non-member is removed from the Senate Chamber, the Sergeant-at-Arms shall relinquish control of the non-member to the Department of Public Safety or other law enforcement officers of the State.

For the punishment of a non-member, the provisions of Article III, Section 18, of the Hawai'i State Constitution or section 710-1078, Hawai'i Revised Statutes, pursuant to Act 204, Session Laws of Hawaii 2012, shall govern.

Rule 91 Issuance of the Senate Pin.

- (1) The Senate pin is a symbol of service in the Senate and provides a common bond among current and past members.
- (2) The President may choose to commission and present the Senate pin to current or past members.
- (3) The Senate pin presented under this Rule shall only be worn by current or past members to whom it was presented.
- (4) The Senate pin shall not be presented to an individual or representative acting on behalf of any current or past member.
- (5) If the Senate pin presented under this Rule is lost, destroyed, or rendered unfit for use without fault or neglect on the part of the current or past member to whom it was furnished, the President may replace the Senate pin upon request.

STANDING COMMITTEE REPORTS

SCRep. 1 (Joint) Labor and Ways and Means on S.B. No. 2

The purpose and intent of this measure is to appropriate funds for public sector collective bargaining cost items, including wage and salary increases and other cost adjustments, for public employees in collective bargaining units (1) and (10) and their excluded counterparts for fiscal biennium 2017-2019.

Your Committees received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawai'i System, and United Public Workers.

Your Committees find that Governor's Message No. 101, dated August 23, 2017, informs the Legislature of the costs of the collective bargaining agreement with the United Public Workers concerning collective bargaining units (1) and (10). This measure provides a means to fund the collectively bargained terms that were agreed upon.

As affirmed by the records of votes of the members of your Committees on 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. 2 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.

Labor: Ayes, 3. Noes, none. Excused, 2 (Ihara, Taniguchi).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 2 (Joint) Labor and Ways and Means on S.B. No. 3

The purpose and intent of this measure is to appropriate funds for public sector collective bargaining cost items, including salary increases and other cost adjustments, for public employees in collective bargaining unit (7) and their excluded counterparts for fiscal biennium 2017-2019.

Your Committees received testimony in support of this measure from the Department of Budget and Finance, Office of Collective Bargaining, University of Hawai'i System, University of Hawaii Professional Assembly, and three individuals.

Your Committees find that Governor's Message No. 101, dated August 23, 2017, informs the Legislature of the costs of the collective bargaining agreement with the University of Hawaii Professional Assembly concerning collective bargaining unit (7). This measure provides a means to fund the collectively bargained terms that were agreed upon.

As affirmed by the records of votes of the members of your Committees on 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. 3 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.

Labor: Ayes, 3. Noes, none. Excused, 2 (Ihara, Taniguchi).

Ways and Means: Ayes, 11. Noes, none. Excused, none.

SCRep. 3 (Majority) Ways and Means on S.B. No. 4

The purpose and intent of this measure is to provide funding mechanisms for certain county transportation projects.

More specifically, the measure:

- (1) Authorizes a county that has adopted a surcharge on state tax to extend the surcharge to December 31, 2030;
- (2) Authorizes a county that has not yet adopted a surcharge on state tax to adopt a surcharge before March 31, 2018, under certain conditions;
- (3) Decreases from ten per cent to one per cent the surcharge gross proceeds retained by the State for the costs of assessment, collection, and disposition of a county surcharge on state tax, and adds oversight duties as an allowable use of the moneys retained by the State;
- (4) Establishes the Mass Transit Special Fund;
- (5) Increases the transient accommodations tax from 9.25 per cent to 10.25 per cent from January 1, 2018, to December 31, 2030, and allocates revenues resulting from the increase to the Mass Transit Special Fund;
- (6) With regard to a county with a population greater than five hundred thousand:
 - (A) Specifies that moneys shall be allocated from the Mass Transit Special Fund for capital costs of a mass transit project, under certain conditions;
 - (B) Establishes that if a court makes a monetary award to a county due to the State's violation of state law or constitutional provision relating to the State's deduction and withholding of county surcharge on state tax revenues, then an amount equal to the monetary award shall be withheld from the additional transient accommodations tax revenues paid over to the Mass Transit Special Fund and shall be credited to the general fund;
 - (C) Authorizes the Director of Finance to allocate and disburse moneys in the Mass Transit Special Fund to the county director of finance:
 - (i) Upon receipt of a certification statement from the Comptroller that verifies a rapid transportation authority's invoices for capital costs; and

- (ii) On a monthly basis; and
- (D) Clarifies that revenues from a county surcharge on state tax or moneys allocated from the Mass Transit Special Fund shall not be used for:
 - (i) Operation or maintenance costs of a mass transit project; or
 - (ii) Administrative, operating, marketing, or maintenance costs of a rapid transportation authority;
- (7) Makes permanent the annual allocation of \$103,000,000 of transient accommodations tax revenues to the counties;
- (8) Requires the State Auditor to:
 - (A) Conduct an audit of the Honolulu Authority for Rapid Transportation and report the findings no later than twenty days prior to the 2019 Regular Session; and
 - (B) Conduct an annual review of any rapid transportation authority in the State charged with the responsibility of constructing, operating, or maintaining a mass transit project that receives moneys from a surcharge on state tax or transient accommodations tax revenues, or both;
- (9) Requires the Comptroller to verify and certify invoices for capital costs submitted by a rapid transportation authority for the capital costs of a mass transit project;
- (10) Makes appropriations for the Department of Budget and Finance, the Department of Accounting and General Services, and the State Auditor to carry out their oversight responsibilities under this measure;
- (11) Appropriates moneys from the Mass Transit Special Fund to pay over to a county with a population over five hundred thousand, amounts certified by the Comptroller in invoices for capital costs of a qualifying mass transit project; and
- (12) Requires the Senate President and House Speaker to each appoint two non-voting, ex officio members to the board of directors of the county rapid transportation authority of a county with a population greater than five hundred thousand, to ensure the appropriate use of state-authorized funds to finance a mass transit project.

Your Committee received testimony in support of this measure from the senior United States Senator; United States Representative of the 1st Congressional District; the Department of Accounting and General Services; the Department of Budget and Finance; the Office of the Auditor; the Honolulu Authority for Rapid Transportation; the Ala Moana-Kakaako Neighborhood Board No. 11; the Building Industry Association of Hawaii; Chamber of Commerce Hawaii; the Chinatown Business and Community Association; Hawaii Laborers' Union Local 368; Hawaii State AFL-CIO; the International Brotherhood of Electrical Workers Local Union 1186; the International Longshore and Warehouse Union Local 142; the LGBT Caucus of the Democratic Party of Hawaii; the Kapolei Chamber of Commerce; Move Oahu Forward; PHOCUSED; the United Public Workers Local 646; and thirty-three individuals.

Your Committee received testimony in opposition to this measure from the Hawaii Tourism Authority; the Mayor of the County of Hawaii; the Mayor of the County of Kauai; the Hawaii Kai Neighborhood Board No. 1; Aqua-Aston Hospitality, LLC; Castle Resorts and Hotels; Embassy Suites by Hilton on Waikiki Beach; the Democratic Party of Hawaii Kupuna Caucus; the Financial Accountability for Rail Mass Transit Association; Outrigger Enterprises Group; The Outrigger Reef Waikiki Beach Resort and the Outrigger Waikiki Beach Resort; the Kohala Coast Resort Association; the Kona-Kohala Chamber of Commerce; the Waikiki Improvement Association; the Hyatt Centric Waikiki Beach; the Imperial Hawaii Resort; the Hawaii Lodging and Tourism Association; the Honolulu County Republican Party; the Maui Chamber of Commerce; the Maui Hotel and Lodging Association; Napili Kai Beach Resort; Waikiki Resort Hotel; the Waikiki Improvement Association; and sixty-seven individuals.

Your Committee received comments on this measure from the Department of Taxation; Department of Transportation; the Mayor of the City and County of Honolulu; the Chair and three Councilmembers of the Honolulu City Council; the General Contractors Association of Hawaii; Hawaii Advocates for Consumer Rights; the Hawaii Construction Alliance; the Ulupono Initiative; the Tax Foundation of Hawaii; and twenty-three individuals.

Your Committee finds that this measure changes the fundamental manner in which a county with a population greater than five hundred thousand receives revenues used to finance a locally preferred alternative for a mass transit project. Currently, a qualifying county receives revenues generated by a surcharge on state tax and is allowed to expend those moneys on its mass transit project as it deems appropriate; provided that the expenditures are allowed by law. This measure requires the county to submit invoices for its mass transit capital costs to the State Comptroller, who will then certify that the capital costs qualify under the expenditure requirements of state law, and once these invoiced costs are certified, the State Director of Finance is authorized to release the funds to the county.

Your Committee notes that the City and County of Honolulu's rail transit project will serve a county with a population greater than five hundred thousand, and thus is a locally preferred alternative for a mass transit project that qualifies as a project which may be funded under this measure. Your Committee finds that the Honolulu rail transit project has exceeded its projected budget and that questions have been raised about the project's management and cost, including in reports by the Jacobs Engineering Group, Inc., the American Public Transportation Association, and the Office of the City Auditor. Nevertheless, your Committee believes that the rail transit project will benefit the residents of the State and further believes that the project must be completed in order to provide a viable public transportation alternative and facilitate transit-oriented development along the transit route. Your Committee finds that the City and County of Honolulu requires sufficient funds to cover construction and financing costs of the rail project and to ensure that the full twenty-mile guideway, along with all twenty-one rail stations, can be built.

However, your Committee believes that additional scrutiny and oversight are necessary to ensure that the Honolulu rail transit project is completed in a transparent and fiscally responsible manner. Accordingly, this measure requires the State Auditor to conduct a comprehensive initial audit and annual reviews of the project and also requires the Honolulu Authority for Rapid Transportation to provide the Comptroller with detailed financial and accounting information for verification prior to the allocation of funds for

expenditure. The Honolulu Authority for Rapid Transportation and, on behalf of the City and County of Honolulu, the Mayor and Council Chair, have indicated that they do not object to state oversight.

Your Committee also believes that, by requiring a large portion of the additional funding for the rail project to be derived from a modest increase in transient accommodations tax revenue and by limiting the period in which the City and County of Honolulu may extend its surcharge on state tax to three years, this measure minimizes financing costs and the tax burden on residents of the State and the City and County of Honolulu. The project's high-cost construction years are expected to occur between 2018 and 2022, and the infusion of capital during those years will directly offset the need for long-term financing costs associated with the ten-year extension of the surcharge on state tax that was proposed by the Mayor of the City and County of Honolulu.

Regarding the adequacy of the financing to be generated by this measure, your Committee notes that the conservative three percent general excise tax revenue projection and the twenty-nine year historical eight percent transient accommodations tax revenue data show that there will be a windfall that exceeds the Mayor of the City and County of Honolulu's last-minute attempt to add \$548,000,000 to the \$8,165,000,000 rail transit project budget. Your Committee also notes that the financial "stress test" that the Federal Transit Administration will apply to the project will be based on the financial plan submitted by the Honolulu Authority for Rapid Transportation. If the Federal Transit Administration finds that the financial plan is not adequate, then the Honolulu Authority for Rapid Transportation will need to explain how it will address the possibilities that the project's cost may rise or that revenues may not materialize as projected. The Federal Transit Administration does not necessarily require that funding be in place to address those potential variances.

Your Committee notes that this measure specifically prohibits the use of revenues generated by the increase in transient accommodations tax or the surcharge on state tax for operating or maintenance costs of a mass transit project or administrative, operating, marketing, or maintenance costs of a rapid transportation authority charged with responsibility for constructing, operating, or maintaining the mass transit project.

Finally, your Committee finds that, if they so desire, the Counties of Hawaii, Kauai, and Maui should be afforded the opportunity to enact surcharges on state tax to fund operating or capital costs of public transportation within those 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. 4 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, 5 (English, Harimoto, Inouye, Kahele, Riviere). Excused, none.

SCRep. 4 Commerce, Consumer Protection, and Health on Gov. Msg. No. 3

Recommending that the Senate advise and consent to the nomination of the following:

PUBLIC UTILITIES COMMISSION

G.M. No. 3 JAMES GRIFFIN, for a term to expire 06-30-2022

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds James Griffin to possess the requisite qualifications to be nominated to the Public Utilities Commission.

Your Committee received testimony in support of the nomination of James Griffin from the Department of Business, Economic Development, and Tourism; Ulupono Initiative; Earthjustice; Hawai'i Energy; Hawaii Solar Energy Association, Inc.; Sierra Club of Hawai'i; Distributed Energy Resources Council of Hawaii; nineteen individuals; and a petition signed by the following: American Electric Company, LLC; AlternateEnergy, Inc.; Sunrun; Inter-Island Solar Supply; Hawaii Energy Connection; E-GEAR, LLC; Honeywell; Vivint Solar; Holu Energy, LLC; The Alliance for Solar Choice; Stem, Inc.; Green Charge; Go Electric Inc.; Geli; and one hundred thirty-eight individuals.

Upon review of the testimony, your Committee finds that Dr. Griffin's background, experience, and commitment to public service qualify him for appointment to the Public Utilities Commission. Your Committee notes that Dr. Griffin has extensive experience in the energy sector. Dr. Griffin was formerly an Assistant Specialist and faculty researcher at the Hawaii Natural Energy Institute, where he worked on several studies that analyzed the technical requirements needed to integrate higher levels of renewable energy into Hawaii's electric systems and managed demonstration projects to test emerging clean energy technologies. More recently, Dr. Griffin served as the Chief of Policy and Research for the Public Utilities Commission from 2012 through 2016. In this role, Dr. Griffin contributed research and economic analyses in support of many of the Commission's key decisions, had oversight responsibility for Commissioned programs, and developed a deep knowledge of the Commission's major regulatory proceedings.

Your Committee further finds that Dr. Griffin recognizes and supports the State's energy policies and goals. Dr. Griffin also acknowledges the broad oversight role of the Public Utilities Commission and the regulatory responsibilities that the Commission must fulfill in support of these policies and goals. Through his extensive involvement in the area of clean energy policy and research, Dr. Griffin has gained an in-depth understanding of the complex technical and economic analyses that are typically submitted to the Public Utilities Commission. This insight will be critical in light of the major dockets currently before the Public Utilities Commission and the ongoing efforts of the Commission to meet the State's energy goals.

Your Committee notes that Dr. Griffin's extensive energy systems knowledge and experience with energy planning, research, and design will be an invaluable complement to the expertise of the other Public Utilities Commissioners and therefore recommends that Dr. Griffin be appointed to the Public Utilities Commission based on his knowledge, background, and dedication to serving in the public's best interest.

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, 7. Noes, none. Excused, none.

SCRep. 5 Agriculture and Environment on Gov. Msg. Nos. 1 and 2

Recommending that the Senate advise and consent to the nominations of the following:

ENDANGERED SPECIES RECOVERY COMMITTEE

G.M. No. 1 LISA SPAIN, for a term to expire 06-30-2021; and

G.M. No. 2 LOYAL MEHRHOFF, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Lisa Spain and Loyal Mehrhoff to possess the requisite qualifications to be nominated to the Endangered Species Recovery Committee.

LISA SPAIN

Your Committee received testimony in support of the nomination for the appointment of Lisa Spain from the Department of Land and Natural Resources and three individuals.

Upon review of the testimony, your Committee finds that Ms. Spain's professional experience and background in conservation and natural resource management qualify her to be nominated for appointment to the Endangered Species Recovery Committee. Ms. Spain is the current Director of the University of Hawai'i at Hilo Conference Center and Hawaiian EDventure Program. She previously served as the Hawaii Island Branch Manager, and later as the State Administrator, for the Division of Forestry and Wildlife, where she participated in the Federal-State Joint Task Force on National Endangered Species Act Policy. She currently serves as Vice President of the Three Mountain Alliance Foundation, Treasurer of the Ka'ahahui O Ka Nahelehele, and member of the Boys and Girls Club of the Big Island Strategic Planning and Resource Development Committee, Friends of Hakalau Forest National Wildlife Refuge Endowment Committee, Hawaii Island Chamber of Commerce, Hawai'i Preparatory Academy Strategic Planning Committee, and Japanese Chamber of Commerce. Based on her knowledge, experience, and commitment to public service, your Committee finds that Ms. Spain will be an asset to the Endangered Species Recovery Committee.

LOYAL MEHRHOFF

Your Committee received testimony in support of the nomination for the appointment of Loyal Mehrhoff from the Department of Land and Natural Resources and one individual.

Upon review of the testimony, your Committee finds that Dr. Mehrhoff's experience and background in endangered species listing, botany, recovery, and consultation qualify him to be nominated for appointment to the Endangered Species Recovery Committee. Your Committee notes that Dr. Mehrhoff is the Endangered Species Recovery Coordinator at the Center for Biological Diversity and the former Director of the U.S. Geological Survey's Pacific Island Ecosystems Research Center. He has also served as the Field Supervisor of the U.S. Fish and Wildlife Service's Pacific Islands Fish and Wildlife Office and has experience in field studies on Hawaiian endangered species as a Research Botanist with the Bishop Museum. Based on his knowledge, experience, and commitment to public service, your Committee finds that Dr. Mehrhoff will be an asset to the Endangered Species Recovery Committee.

As affirmed by the records of votes of the members of your Committee on Agriculture and Environment that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Nishihara).

SCRep. 6 Judiciary on Gov. Msg. Nos. 19, 20, and 21

Recommending that the Senate advise and consent to the nominations of the following:

STATE FOUNDATION ON CULTURE AND THE ARTS COMMISSION

G.M. No. 19 CLYDE SAKAMOTO, for a term to expire 06-30-2020;

G.M. No. 20 NALANI BRUN, for a term to expire 06-30-2021; and

G.M. No. 21 SHERMAN WARNER, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Clyde Sakamoto, Nalani Brun, and Sherman Warner to possess the requisite qualifications to be nominated to the State Foundation on Culture and the Arts Commission.

CLYDE SAKAMOTO

Your Committee received testimony in support of the nomination for the appointment of Mr. Clyde Sakamoto from the Department of Accounting and General Services, State Foundation on Culture and the Arts, and one individual.

Upon review of the testimony, your Committee finds that Mr. Sakamoto's public service experience and background in higher-education qualify him to be nominated for appointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Mr. Sakamoto is the former dean and provost of Maui Community College and is now retired and designated as the Chancellor Emeritus of the University of Hawai'i Maui College. He has served on the Maui Arts and Culture Center Board, is a

founding and current member of the University of Hawai'i Maui College Ka Ipu Kukui Steering Committee, and serves on the International Small Island Studies Association Executive Committee and the Hawaiian Islands Land Trust Board of Directors. Based on his knowledge, experience, and commitment to public service, your Committee finds that Mr. Sakamoto will continue to be an asset to the State Foundation on Culture and the Arts Commission.

NALANI BRUN

Your Committee received testimony in support of the nomination for the appointment of Ms. Nalani Brun from the Department of Accounting and General Services and the State Foundation on Culture and the Arts.

Upon review of the testimony, your Committee finds that Ms. Brun's professional experience and background in dance, music, and culture qualify her to be nominated for appointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Ms. Brun is the Program Administration Officer of the County of Kauai Office of Economic Development and manages the County Product Enrichment Program that oversees funding for cultural programs and other events on Kauai. She performs hula and other dances and songs of the Pacific region within the visitor industry and has prior experience as a fitness instructor working primarily with Native Hawaiians. Based on her knowledge, experience, and commitment to public service, your Committee finds that Ms. Brun will continue to be an asset to the State Foundation on Culture and the Arts Commission.

SHERMAN WARNER

Your Committee received testimony in support of the nomination for the appointment of Mr. Sherman Warner from the Department of Accounting and General Services and the State Foundation on Culture and the Arts.

Upon review of the testimony, your Committee finds that Mr. Warner's professional experience and background in theater and the performing arts qualify him to be nominated for appointment to the State Foundation on Culture and the Arts Commission. Your Committee notes that Mr. Warner is a founding partner of Dodger Productions, which produced more than two dozen Broadway shows, and has won four Tony Awards as a producer. He serves on the Kahilu Theatre Board of Directors and has served on the State Foundation on Culture and the Arts Commission since 2013 as the chairperson of Art in Public Places, Administrative, and Ad Hoc Strategic Planning Committees. Based on his knowledge, experience, and commitment to public service, your Committee finds that Mr. Warner will continue to be an asset to the State Foundation on Culture and the Arts Commission.

As affirmed by the records of votes of the members of your Committee on Judiciary 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 (Taniguchi).

SCRep. 7 Labor on Gov. Msg. Nos. 22 and 23

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF TRUSTEES OF THE DEFERRED COMPENSATION PLAN

G.M. No. 22 BRIAN MOTO, for a term to expire 06-30-2021; and

G.M. No. 23 KENNETH VILLABRILLE, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Brian Moto and Kenneth Villabrille to possess the requisite qualifications to be nominated to the Board of Trustees of the Deferred Compensation Plan.

BRIAN MOTO

Your Committee received testimony in support of the nomination for the appointment of Mr. Brian Moto from the Department of Accounting and General Services.

Upon review of the testimony, your Committee finds that Mr. Moto's public service experience and background as an attorney qualify him to be nominated for appointment to the Board of Trustees of the Deferred Compensation Plan. Your Committee notes that Mr. Moto is Special Assistant to the Chancellor of the University of Hawai'i Maui College. He served more than eighteen years as Corporation Counsel of the County of Maui. He currently serves as the Chair of the Board of Trustees of the Deferred Compensation Plan. Based on his knowledge, experience, and commitment to public service, your Committee finds that Mr. Moto will continue to be an asset to the Board of Trustees of the Deferred Compensation Plan.

KENNETH VILLABRILLE

Your Committee received testimony in support of the nomination for the appointment of Mr. Kenneth Villabrille from the Department of Accounting and General Services.

Upon review of the testimony, your Committee finds that Mr. Villabrille's experience and background in accounting and finance qualify him to be nominated for appointment to the Board of Trustees of the Deferred Compensation Plan. Your Committee notes that Mr. Villabrille is the Payroll Administrator of the County of Kauai Central Payroll Account and is a board member of the Kauai Government Employee Federal Credit Union. He has served more than two decades in the credit union movement. He currently serves as a member of the Board of Trustees of the Deferred Compensation Plan. Based on his knowledge, experience, and commitment to public service, your Committee finds that Mr. Villabrille will continue to be an asset to the Board of Trustees of the Deferred Compensation Plan.

As affirmed by the records of votes of the members of your Committee on 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, 3. Noes, none. Excused, 2 (Chang, Taniguchi).

SCRep. 8 Labor on Gov. Msg. No. 24

Recommending that the Senate advise and consent to the nomination of the following:

HAWAI'I WORKFORCE DEVELOPMENT COUNCIL

G.M. No. 24 DWIGHT TAKAMINE, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Dwight Takamine to possess the requisite qualifications to be nominated to the Hawai'i Workforce Development Council.

Your Committee received testimony in support of the nomination for the appointment of Mr. Dwight Takamine from the Workforce Development Council; Hawai'i Civil Rights Commission; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii State AFL-CIO; and two individuals.

Upon review of the testimony, your Committee finds that Mr. Takamine's legislative experience and background in workforce development qualify him to be nominated for appointment to the Hawai'i Workforce Development Council. Your Committee notes that Mr. Takamine is the Legislative Director of ILWU Local 142 and the former Director of the Department of Labor and Industrial Relations. He has also served in both chambers of the Legislature for over two decades, including time serving as chair of committees with the purview of labor and public employment matters. Mr. Takamine has been actively involved in state efforts to develop quality jobs in the "green" sector, construction industry, agricultural industry, and health industry, and has been serving as an interim appointee on the Hawai'i Workforce Development Council. Based on his knowledge, experience, and commitment to public service, your Committee finds that Mr. Takamine will be an asset to the Hawai'i Workforce Development Council.

As affirmed by the record of votes of the members of your Committee on 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, 3. Noes, none. Excused, 2 (Chang, Taniguchi).

SCRep. 9 Judiciary on Gov. Msg. No. 33

Recommending that the Senate advise and consent to the nomination of the following:

CIVIL RIGHTS COMMISSION

G.M. No. 33 JOAKIM PETER, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Joakim Peter to possess the requisite qualifications to be nominated to the Civil Rights Commission.

Your Committee received testimony in support of the nomination for the appointment of Mr. Joakim Peter from the Hawai'i Civil Rights Commission, Japanese American Citizens League, HealthyPacific.Com, and two individuals.

Upon review of the testimony, your Committee finds that Mr. Peter's experience and background in community advocacy qualify him to be nominated for appointment to the Civil Rights Commission. Mr. Peter is a Hawaii Immigrant Justice Center Outreach Specialist and Healthcare Advocate at the Legal Aid Society of Hawaii. He is the Co-Founder, Board Member, and Community Advocacy Manager for We Are Oceania, Chairman and Community Organizer for the Compact of Free Association Community Advocacy Network, and the Host of *Micronesia Connection* on 'Ölelo Television Network. Mr. Peter is a long-time resident of Hawaii and a citizen of Micronesia and Compact of Free Association (COFA) nations, which allows him to share a unique perspective as a member of the Civil Rights Commission. Your Committee notes that Act 36, Regular Session of 2017, modified the qualifications for appointments to allow residents, and those eligible under federal law for unrestricted employment in the United States, rather than only citizens, to serve as an appointive officer; thus, Mr. Peter is eligible to serve as a COFA nation citizen. Based on his knowledge, experience, and commitment to public service, your Committee finds that Mr. Peter will be an asset to the Civil Rights Commission.

As affirmed by the record of votes of the members of your Committee on Judiciary 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 (Taniguchi).

SCRep. 10 Human Services on Gov. Msg. Nos. 15 and 36

Recommending that the Senate advise and consent to the nominations of the following:

COMMISSION ON FATHERHOOD

G.M. No. 15 DAVID MATTOS, for a term to expire 06-30-2020; and

G.M. No. 36 CALEB MILLIKEN, for a term to expire 06-30-2020

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds David Mattos and Caleb Milliken to possess the requisite qualifications to be nominated to the Commission on Fatherhood.

DAVID MATTOS

Your Committee received testimony in support of the nomination of David Mattos from Maui Family Support Services, Inc.; and two individuals.

Mr. Mattos currently serves as a Supervisor for the KĀNE Connections program of Maui Family Support Services, Inc.; where he is responsible for supervising the staff team and ensuring that program expectations are met and program participants receive quality support. He is also responsible for facilitating various weekly men's groups and parenting classes. He has previous work experience with the Boys & Girls Clubs of Maui, Inc.; and the Boys & Girls Clubs of the Big Island, Inc.; where he served as that organization's Chief Executive Officer. He has also served as a foster parent on Maui to help care for and raise at-risk teens and eventually adopting two boys to become part of his family.

Mr. Mattos has been nominated to represent Maui as a member of the Commission on Fatherhood. His extensive experience in social services in his professional and personal capacities will be valuable assets to the Commission.

CALEB MILLIKEN

Your Committee received testimony in support of the nomination of Caleb Milliken from two individuals.

Mr. Milliken currently serves as the Director for the West Hawaii Fatherhood Initiative of Family Support Hawaii where he provides training, support, and advocacy to create a culture that enables men and fathers to keep their children, partners, and communities healthy and safe. He previously served as the Executive Director and Co-Founder of Boys to Men Mentoring Hawaii, which is a group mentoring program that provides positivity, guidance, support, and safety in boys' lives. His passion for social change and empowerment has taken him to eight countries on three continents in over twenty years through working with international non-governmental organizations, nonprofit organizations, and educational institutions. He is a master facilitator and expert in mentoring, rites of passage, men's work, and paths of initiation.

Mr. Milliken has been nominated to represent the Island of Hawaii as a member of the Commission on Fatherhood. His extensive experience and proven dedication to supporting fathers and mentoring youth will be valuable assets to the Commission.

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, 1 (Tokuda).

SCRep. 11 Housing on Gov. Msg. No. 16

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF DIRECTORS OF THE HAWAI'I HOUSING FINANCE AND DEVELOPMENT CORPORATION

G.M. No. 16 DONN MENDE, for a term to expire 06-30-2021

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Donn Mende to possess the requisite qualifications to be nominated to the Board of Directors of the Hawai'i Housing Finance and Development Corporation.

Your Committee received testimony in support of the nomination of Donn Mende from the Department of Business, Economic Development, and Tourism; Board of Directors of the Hawaii Housing Finance and Development Corporation; Japanese Chamber of Commerce & Industry of Hawaii; and six individuals.

Mr. Mende currently serves as a Lending Manager for HFS Federal Credit Union. He previously served as the Deputy Director of the Department of Research and Development for the County of Hawaii where he was responsible for the economic development of the county along with the daily operations of the Department. Mr. Mende has extensive experience in retail and commercial banking by previously serving as a Vice President and Branch Manager for Hawaii National Bank and an Assistant Vice President for the Hawaii Island Region of American Savings Bank. Furthermore, before moving to the Island of Hawaii, he served as an Assistant Vice President and Trust Operations Manager for the Trust Division of Central Pacific Bank and Investment Performance and Operations Manager for the Trust Division of Bank of Hawaii on Oahu.

Mr. Mende has extensive community service experience. He currently serves as the Board Chairperson for the Boys & Girls Club of the Big Island and Third Vice President for the Japanese Chamber of Commerce & Industry of Hawaii. Of particular note, he currently serves as the Treasurer for the Big Island Housing Foundation, which is a nonprofit organization that provides decent, safe, and sanitary housing to low and moderate income families in Hawaii County.

Mr. Mende has been nominated to the Board of Directors of the Hawaii Housing Finance and Development Corporation as the Hawaii County public member representative. His extensive experience in banking and financial services as well as his commitment to the Big Island community will be valuable assets to the Corporation.

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, 1 (Kahele).

SCRep. 12 Housing on Gov. Msg. Nos. 53, 54, 55, 56, and 57

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

- G.M. No. 53 JO-ANN LEONG, for a term to expire 06-30-2021;
 G.M. No. 54 DONNA CAMVEL, for a term to expire 06-30-2018;
 G.M. No. 55 MAEDA TIMSON, for a term to expire 06-30-2021;
 G.M. No. 56 PHILLIP HASHA, for a term to expire 06-30-2021; and
 G.M. No. 57 JASON OKUHAMA, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Jo-Ann Leong, Donna Camvel, Maeda Timson, Phillip Hasha, and Jason Okuhama to possess the requisite qualifications to be nominated to the Hawaii Community Development Authority (HCDA).

JO-ANN LEONG

Your Committee received testimony in support of the nomination of Jo-Ann Leong from the Department of Transportation, Ko'olaupoko Hawaiian Civic Club, Ko'olau Foundation, The Nature Conservancy Hawaii, and two individuals.

Dr. Leong is the Emeritus Director and Professor of the Hawaii Institute of Marine Biology, which is an independent research unit within the School of Ocean Earth Science and Technology (SOEST) at the University of Hawaii at Manoa. She is a Microbiologist with a focus on molecular virology of rhabdoviruses, retroviruses, and birnaviruses and has developed several anti-viral vaccines for aquacultured species. Dr. Leong has authored and her research has been referenced in various academic books and periodicals. She previously served as the Co-Chairperson of the Ecosystem Science and Management Working Group of the National Oceanic and Atmospheric Administration Scientific Advisory Board, President of the National Association of Marine Laboratories, Executive Secretariat of the National Advisory Committee on Development and Assessment of Climate, and President of the Board of Governors of the Center for Tropical and Subtropical Aquaculture.

Dr. Leong has been nominated to HCDA as a resident of the Heeia Community Development District or the Koolaupoko District. Testimony in support of her nomination indicates that she is an excellent candidate who has the ability to bridge the gap between government and communities. Most notably, she was instrumental in the designation of the Heeia National Estuarine Research Reserve. Her extensive experience in microbiology and marine resources, and dedication to the community she resides in, will be great assets to HCDA.

DONNA CAMVEL

Your Committee received testimony in support of the nomination for the reappointment of Donna Camvel from the Department of Transportation, Ko'olau Foundation, Ko'olaupoko Hawaiian Civic Club, and one individual.

Ms. Camvel is currently a doctoral candidate in the Political Science Department at the University of Hawaii at Manoa, specializing in Indigenous Politics. She also serves as a Lecturer at Windward Community College and Graduate Teaching Assistant at the University of Hawaii at Manoa. Ms. Camvel has experience in community organizing and event planning for He'e'ia Historical Society. She has also traveled for several years to the United Nations Permanent Forum on Indigenous Issues in New York as a student representative for the University of Hawaii to talk about Native Hawaiian and indigenous issues.

Ms. Camvel has been nominated for reappointment to HCDA as an owner of a small business or director of a nonprofit organization in the Heeia Community Development District or the Koolaupoko District. She indicated in her personal statement that she can continue to provide HCDA with valuable cultural expertise and community knowledge of the He'e'ia ahupua'a. Her past experiences with indigenous issues, as well as her continuing commitment to natural resource management, will continue to be great assets to HCDA.

MAEDA TIMSON

Your Committee received testimony in support of the nomination of Maeda Timson from the Department of Business, Economic Development, and Tourism; Department of Transportation; and five individuals.

Ms. Timson currently is a self-employed consultant who specializes in community relations. She previously served as a Public Information Officer for the Department of Design and Construction for the City and County of Honolulu where she was responsible for fielding inquiries and concerns regarding the city-wide road paving project. Before her tenure with the City and County of Honolulu, she served as a Vice President at First Hawaiian Bank where she gained experience in bank operations, supervision, management, and marketing, and federal, state, and county retirement regulations. Ms. Timson also has extensive community experience and has been a community advocate for the Makakilo and Kapolei areas for over forty-five years. She currently serves as Secretary for Seagull Schools, Vice President for Friends of Kapolei, and President of Ua Ao O Kapolei.

Ms. Timson has been nominated to HCDA as an owner of a small business or officer or director of a nonprofit organization in the Kalaeloa Community Development District. According to her personal statement, she has been engaged in the development of Kalaeloa and wants to be part of the vision and growth of that area. She shared with your Committee her vision of developing the airport further and extending the port to allow bigger vessels, such as cruise ships, to dock at Kalaeloa. Her extensive experience and community involvement in the Makakilo and Kapolei areas as well as her past experience in the banking industry and county projects will be great assets to HCDA.

PHILLIP HASHA

Your Committee received testimony in support of the nomination of Phillip Hasha from the Department of Transportation, Painters Labor Management Cooperation Fund, Tapers Market Recovery Fund, Glaziers Stabilization Fund, Carpet and Soft Tile Layers Market Recovery Fund, Pacific Resource Partnership, and six individuals. Your Committee received testimony in opposition to the nomination from four individuals. Your Committee received comments on the nomination from the Kaka'ako Makai Community Planning Advisory Council.

Mr. Hasha currently serves as a Principal and the Chief Executive Officer of The Redmond Group, LLC; which is a commercial real estate firm located in Kakaako, where he directs all company operations that encompass business development, sales and marketing, transaction structuring and negotiations, client consulting, human resources, and financial management. He is the recipient of numerous awards and recognitions, including receiving the 2017 Small Business Administration Young Entrepreneur of the Year Award, being named a member of Pacific Business News' 2015 Class of Forty Under 40, and being named a 2015 Finalist for Pacific Edge Magazine's Best New Business. Mr. Hasha is also an active participant in the community by currently serving as the Chairperson of the Governing Board of Voyager Public Charter School, Chairperson of the Properties Committee of the University Avenue Baptist Church, Membership Chairperson for the Entrepreneur Organization of Hawaii, and Co-Vice Chairperson of the Echelon Board of the Salvation Army of Hawaii.

Mr. Hasha has been nominated to HCDA as an owner of a small business or officer or director of a nonprofit organization in the Kakaako Community Development District because of his understanding of small business concerns and his commitment to representing small business interests. Through his collaboration with KouWork, which provides office space in Kakaako for small businesses and start-ups, he is assisting in increasing the number of small businesses in Hawaii. His extensive experience in real estate and his commitment to encouraging and maintaining small businesses, especially in the Kakaako District, will be valuable assets to HCDA.

JASON OKUHAMA

Your Committee received testimony in support of the nomination for the reappointment of Jason Okuhama from the Department of Business, Economic Development, and Tourism; Department of Transportation; Hawai'i Alliance for Community-Based Economic Development; Kaka'ako Makai Community Planning Advisory Council; and seventeen individuals.

Mr. Okuhama is currently Managing Partner for Hawaii Lending Specialists, LLC; which provides services for loan origination, sales, marketing, and underwriting. He is also involved in many community organizations, serving as Board President for One Waterfront Towers, Board Treasurer for Century Square AAO, and Board President for Hawaii Alliance for Community-Based Economic Development.

Mr. Okuhama's nomination for reappointment to HCDA is to continue to represent residents of the Kakaako Community Development District. He indicated in his personal statement that he has always felt it was his civic duty to participate in and support his community, especially by utilizing his experience in the banking and lending industry. Mr. Okuhama's past experiences with the banking and lending industry, as well as his continuing commitment to issues relating to the housing needs of middle, moderate, and lower income individuals, will continue to be great assets to HCDA.

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, 4. Noes, none. Excused, 1 (Kahele).

SCRep. 13 Commerce, Consumer Protection, and Health on Gov. Msg. No. 4

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOARD OF NURSING

G.M. No. 4 KAREN BOYER, for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Karen Boyer to possess the requisite qualifications to be nominated to the State Board of Nursing.

Your Committee received testimony in support of the nomination of Karen Boyer from the Department of Commerce and Consumer Affairs and two individuals.

Upon review of the testimony, your Committee finds that Ms. Boyer's background, experience, and commitment to her profession qualify her to be nominated for appointment to the State Board of Nursing as a licensee member. Your Committee notes that Ms. Boyer has been a Registered Nurse for over thirty-five years, has extensive experience as a nursing educator, and is currently the Nursing Department Chair at the University of Hawaii's Kapiolani Community College, where she has been instrumental in several key successes for the Department of Nursing, including the Department's receipt of full accreditation from the Accreditation Commission for Education in Nursing in 2013. Ms. Boyer also has experience in a variety of health care settings and roles, including prior service as a nursing instructor, call-in clinical nurse specialist, staff/charge nurse, unit manager, house supervisor, and as a women's health nurse practitioner at a community-based health center. Your Committee further finds that Ms. Boyer has served as an interim member of the State Board of Nursing the past few months and has a thorough understanding of the role and responsibilities of board members. Your Committee therefore recommends that Ms. Boyer be appointed to the State Board of Nursing 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 (Espero, Ihara, Nishihara).

SCRep. 14 Commerce, Consumer Protection, and Health on Gov. Msg. No. 5

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF CERTIFICATION OF OPERATING PERSONNEL IN WASTEWATER TREATMENT PLANTS

G.M. No. 5 RONALD HAY, 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 Hay to possess the requisite qualifications to be nominated to the Board of Certification of Operating Personnel in Wastewater Treatment Plants.

Your Committee received testimony in support of the nomination of Ronald Hay from the Department of Health and one individual.

Upon review of the testimony, your Committee finds that Mr. Hay's knowledge, background, and prior experience on the Board of Certification of Operating Personnel in Wastewater Treatment Plants qualify him to be nominated for appointment to the Board as the private sector representative. Your Committee notes that Mr. Hay has over thirty-six years of experience in the water and wastewater utility field, is currently the Manager of Wastewater Systems for Hawaii Water Service Company, and holds a Grade 4 wastewater treatment plant operator certificate. Mr. Hay also currently teaches classes in Waikoloa and Hilo for the Statewide Wastewater Operator Training Center at the University of Hawai'i. Your Committee further finds that Mr. Hay previously served on the Board of Certification of Operating Personnel in Wastewater Treatment from July 2011 through June 2016 and remains committed to serving the public and wastewater operators in the State. Your Committee therefore recommends that Mr. Hay be appointed to the Board of Certification of Operating Personnel in Wastewater Treatment as a private sector representative based on his 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 (Espero, Ihara, Nishihara).

SCRep. 15 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 6 and 7

Recommending that the Senate advise and consent to the nominations of the following:

DISABILITY AND COMMUNICATION ACCESS BOARD

G.M. No. 6 MARIE KIMMEY, for a term to expire 06-30-2021; and

G.M. No. 7 SCOTT FLEMING, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Marie Kimmey and Scott Fleming to possess the requisite qualifications to be nominated to the Disability and Communication Access Board.

MARIE KIMMEY

Your Committee received testimony in support of the nomination of Marie Kimmey from the Disability and Communication Access Board and two individuals.

Upon review of the testimony, your Committee finds that Ms. Kimmey's professional background and prior experience on the Disability and Communication Access Board qualify her to be nominated for appointment to the Disability and Communication Access Board as a board member representing the County of Maui. Your Committee notes that Ms. Kimmey is a Principal Architect and partner at Kimmey Unabia Architects, Ltd., in Kihei, Maui, where she has been involved in a variety of design projects with government entities that required knowledge of the Americans with Disabilities Act Accessibility Guidelines. Your Committee further finds that Ms. Kimmey previously served as a member of the Disability and Communication Access Board from 2000 through 2009, will be participating on the current Board as a member of its Standing Committee on Facility Access, and has a thorough understanding of the Board's functions and priorities as they relate to accessibility to persons with disabilities. Your Committee therefore recommends that Ms. Kimmey be appointed to the Disability and Communication Access Board based on her experience, familiarity with accessibility laws and regulations, and dedication to public service.

SCOTT FLEMING

Your Committee received testimony in support of the nomination of Scott Fleming from the Disability and Communication Access Board and The Arc of Hilo.

Upon review of the testimony, your Committee finds that Mr. Fleming's professional background and experience qualify him to be nominated for appointment to the Disability and Communication Access Board as a board member representing the County of Hawaii. Your Committee notes that Mr. Fleming has been a licensed architect for over twenty years and is the owner and Principal Architect of Fleming & Associates, in Hilo, Hawaii. Many of Mr. Fleming's professional projects have been for public sector clients and have therefore required an extensive knowledge of the Americans with Disabilities Act Accessibility Guidelines. Your Committee further finds that Mr. Fleming has a thorough understanding of the Disability and Communication Access Board's functions and priorities, is

committed to ensuring accessibility compliance in a manner that benefits consumers, and will be participating on the Board as a member of its Standing Committee on Facility Access. Your Committee therefore recommends that Mr. Fleming be appointed to the Disability and Communication Access Board based on his experience, familiarity with accessibility laws and regulations, and commitment to serving his 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 (Espero, Ihara, Nishihara).

SCRep. 16 Commerce, Consumer Protection, and Health on Gov. Msg. No. 8

Recommending that the Senate advise and consent to the nomination of the following:

EMERGENCY MEDICAL SERVICES ADVISORY COMMITTEE

G.M. No. 8 BRENT ROBINSON, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Brent Robinson to possess the requisite qualifications to be nominated to the Emergency Medical Services Advisory Committee.

Your Committee received testimony in support of the nomination of Brent Robinson from the Department of Health and two individuals.

Upon review of the testimony, your Committee finds that Mr. Robinson's background, experience, and commitment to public service qualify him to be nominated for appointment to the Emergency Medical Services Advisory Committee. Your Committee notes that Mr. Robinson has over ten years of experience in the emergency medical service community and is currently a paramedic with the City and County of Honolulu Emergency Medical Services Division and American Medical Response. Mr. Robinson is also a critical flight paramedic for American Medical Response, is a member of Hawaii's Disaster Medical Assistance Team, and is a lecturer and skills tester at Kapiolani Community College. Your Committee further finds that Mr. Robinson has a thorough understanding of the role and responsibilities of committee members and his experience as a ground and air ambulance paramedic, in federal disaster response, and as an emergency medical services educator will be an asset to the Emergency Medical Services Advisory Committee. Your Committee therefore recommends that Mr. Robinson be appointed to the Emergency Medical Services Advisory Committee 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 (Espero, Ihara, Nishihara).

SCRep. 17 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 9, 10, 11, and 50

Recommending that the Senate advise and consent to the nominations of the following:

POLICY ADVISORY BOARD FOR ELDER AFFAIRS

G.M. No. 9 JOY MIYASAKI, for a term to expire 06-30-2021;

G.M. No. 10 SARAH YUAN, for a term to expire 06-30-2021;

G.M. No. 11 SUZANNE SCHULBERG, for a term to expire 06-30-2021; and

G.M. No. 50 LINDA AXTELL-THOMPSON, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Joy Miyasaki, Sarah Yuan, Suzanne Schulberg, and Linda Axtell-Thompson to possess the requisite qualifications to be nominated to the Policy Advisory Board for Elder Affairs.

JOY MIYASAKI

Your Committee received testimony in support of the nomination of Joy Miyasaki from the Executive Office on Aging, Policy Advisory Board for Elder Affairs, and one individual.

Upon review of the testimony, your Committee finds that Ms. Miyasaki's background, experience, and proven leadership on the Policy Advisory Board for Elder Affairs qualify her to be nominated for reappointment to the Policy Advisory Board for Elder Affairs. Your Committee notes that Ms. Miyasaki has been an attorney for over thirty-five years and focuses her practice in the areas of estate planning and trust administration. Ms. Miyasaki is also an adjunct faculty member at the University of Hawai'i, William S. Richardson School of Law, where she was recognized as Adjunct Professor of the Year in 2008. Ms. Miyasaki is extensively involved in her community, including serving as a board member of the Hawaii Women's Legal Foundation and as an Advisory Council Member of Project Dana. Your Committee further finds that Ms. Miyasaki has been a member of the Policy Advisory Board for Elder Affairs since 2011, previously served as Chair, and is currently the Board's first Vice-Chair. Your Committee finds that Ms. Miyasaki's extensive legal background and her work with elderly clients continue to enhance the effectiveness of the Policy

Advisory Board for Elder Affairs and therefore recommends that Ms. Miyasaki be reappointed to the Board based on her experience, knowledge, and commitment to public service.

SARAH YUAN

Your Committee received testimony in support of the nomination of Sarah Yuan from the Executive Office on Aging.

Upon review of the testimony, your Committee finds that Dr. Yuan's knowledge, background, and proven leadership on the Policy Advisory Board for Elder Affairs qualify her to be nominated for reappointment to the Policy Advisory Board for Elder Affairs. Your Committee notes that Dr. Yuan is currently an Associate Specialist at the Center on the Family at the University of Hawai'i and is well-known for developing Hawaii's Aging Data Center. Dr. Yuan has also contributed her expertise in data and applied research in a variety of community service positions, including serving as a co-chair on the Presentations Committee of the Biennial Conference of the Hawaii Pacific Gerontological Society and as a member of the Long-Term Care Services Subcommittee for Health Services and Facilities Plan of the State Health Planning and Development Agency. Your Committee further finds that Dr. Yuan has been a member of the Policy Advisory Board for Elder Affairs since 2013, where she has served in a variety of leadership positions, and her extensive background in research and statistics continues to enhance the effectiveness of the Board. Your Committee therefore recommends that Dr. Yuan be reappointed to the Policy Advisory Board for Elder Affairs based on her background, experience, and commitment to advocating for the State's kupuna.

SUZANNE SCHULBERG

Your Committee received testimony in support of the nomination of Suzanne Schulberg from the Executive Office on Aging, Policy Advisory Board for Elder Affairs, and one individual.

Upon review of the testimony, your Committee finds that Ms. Schulberg's extensive experience in the senior care industry and proven leadership on the Policy Advisory Board for Elder Affairs qualify her to be nominated for reappointment to the Policy Advisory Board for Elder Affairs. Your Committee notes that Ms. Schulberg has been with the Arcadia Family of Companies for sixteen years, has been heavily involved in the changing landscape of senior care in Hawaii, and currently serves as the Chief Operating Officer of Arcadia. Ms. Schulberg also works to advance the objectives of Hawaii's senior care industry as a member of the Health Care Association of Hawaii and Hawaii Pacific Gerontological Society and on the national level as a member of the Public Policy Congress with LeadingAge. Your Committee further finds that Ms. Schulberg has been a member of the Policy Advisory Board for Elder Affairs since 2013 and her strong advocacy of policies and programs that improve the health and welfare of the State's kupuna continue to enhance the effectiveness of the Board. Your Committee therefore recommends that Ms. Schulberg be reappointed to the Policy Advisory Board for Elder Affairs based on her knowledge, experience, and dedication to protecting the welfare of the State's elders.

LINDA AXTELL-THOMPSON

Your Committee received testimony in support of the nomination of Linda Axtell-Thompson from three individuals.

Upon review of the testimony, your Committee finds that Dr. Axtell-Thompson's background, experience, and commitment to public service qualify her to be nominated for appointment to the Policy Advisory Board for Elder Affairs. Your Committee notes that Dr. Axtell-Thompson is currently self-employed at her consulting firm, where she provides nonprofit strategy consulting and professional ethics training, and is an adjunct faculty member at Chaminade University. Dr. Axtell-Thompson also has over twenty-five years of experience in health care planning and policy analysis, in addition to several years of experience teaching health care administration, nonprofit management, and health care and management ethics at the undergraduate and graduate levels. Dr. Axtell-Thompson's interests in the ethical issues relating to aging, dementia, and end-of-life care is reflected in her extensive community involvement, where she serves on the board of directors for Kokua Mau, Pali Momi Medical Center bioethics committee, and the human research ethics committees at the University of Hawai'i and Chaminade University. Your Committee further finds that Dr. Axtell-Thompson's academic training in medical ethics, facilitation, and mediation combined with her professional experience in health care management, strategic planning, and policy analysis will make her a valuable asset to the Policy Advisory Board for Elder Affairs and therefore recommends Dr. Axtell-Thompson's appointment to the 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 (Espero, Ihara, Nishihara).

SCRep. 18 Commerce, Consumer Protection, and Health on Gov. Msg. No. 13

Recommending that the Senate advise and consent to the nomination of the following:

STATEWIDE HEALTH COORDINATING COUNCIL

G.M. No. 13 JILL MIYAMURA, for a term to expire 06-30-2021

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jill Miyamura to possess the requisite qualifications to be nominated to the Statewide Health Coordinating Council.

Your Committee received testimony in support of the nomination of Jill Miyamura from the State Health Planning and Development Agency and three individuals.

Upon review of the testimony, your Committee finds that Dr. Miyamura's knowledge, background, and prior experience on the Statewide Health Coordinating Council qualify her to be nominated for appointment to the Statewide Health Coordinating Council.

Your Committee notes that Dr. Miyamura has been the Vice President and Senior Research Officer at Hawaii Health Information Corporation since 1999 and has over thirty years of experience in the health care industry in a variety of settings, including financial management and health care data systems development. Dr. Miyamura has also fostered the development of Hawaii's only statewide health care data system, serves on various work groups with the United States Agency for Healthcare Research and Quality, and is a member of the Board of Directors of the National Association of Health Data Organizations. Your Committee notes that Dr. Miyamura previously served as a member of the Statewide Health Coordinating Council and has a thorough understanding of the role and responsibilities of council members. Your Committee therefore recommends that Dr. Miyamura be appointed to the Statewide Health Coordinating Council based on her professional background, experience, and commitment to improving the health of 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 (Espero, Ihara, Nishihara).

SCRep. 19 Higher Education on Gov. Msg. No. 17

Recommending that the Senate advise and consent to the nomination of the following:

HAWAII MEDICAL EDUCATION COUNCIL

G.M. No. 17 SHARON VITOUSEK, for a term to expire 06-30-2021

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Sharon Vitousek to possess the requisite qualifications to be nominated to the Hawaii'i Medical Education Council.

Your Committee received testimony in support of the nomination for the reappointment of Sharon Vitousek from the University of Hawaii System.

Dr. Vitousek currently serves as the Director of Health Outcomes LLC, which is a small consulting business that is leading the strategic planning process for Hospice of Hilo. She previously served as the North Hawaii Outcomes Project Director for the Earl and Doris Bakken Foundation, the Medical Director of Hawaii Health Information Corporation, and as a physician in private practice. Dr. Vitousek has also served as an associate faculty member at the John A. Burns School of Medicine and as an Attending Physician at The Queen's Medical Center.

Dr. Vitousek has extensive community involvement. She currently serves on the Governor's Health Transformation Council, Hawaii Graduate Medical Education Council, Hawaii State Traffic Highway Safety Plan Core Committee, and Department of Health Cardiovascular Disease Data Committee. Furthermore, she is a founding board member of North Hawaii Women and Children's Services (now known as Hawaii Learning Resource) and the Daniel Hanley Center for Health Leadership.

Dr. Vitousek has been nominated for reappointment to the Hawaii Medical Education Council as the health professions community representative. Her extensive experience as a community leader on the Island of Hawaii in addressing access to medical care issues and the physician and health provider shortage, as well as her knowledge in graduate medical education in rural areas continue to make her a valuable asset to the Hawaii Medical Education Council.

As affirmed by the record of votes of the members of your Committee on Higher 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, 5. Noes, none. Excused, none.

SCRep. 20 Higher Education on Gov. Msg. No. 34

Recommending that the Senate advise and consent to the nomination of the following:

WESTERN INTERSTATE COMMISSION FOR HIGHER EDUCATION

G.M. No. 34 COLLEEN SATHRE, for a term to expire 06-30-2021

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Colleen Sathre to possess the requisite qualifications to be nominated to the Western Interstate Commission for Higher Education.

Your Committee received testimony in support of the nomination for reappointment of Colleen Sathre from the University of Hawaii System and one individual.

Dr. Sathre is a consultant and author. Prior to attaining the role of Vice President Emeritus, she first served as the Director of, and then Vice President for, Planning and Policy at the University of Hawaii. Her executive responsibilities over the years at the University of Hawaii included four major functional areas: (1) managing the long-range and strategic planning processes; (2) coordinating analysis and development of executive and Board of Regents policy; (3) overseeing the University of Hawaii system-wide institutional research functions; and (4) providing overall coordination of policy and support for system transfer and articulation matters.

Other than her role with the University of Hawaii, Dr. Sathre has served as a higher education planning consultant for the Consortium of Pacific Education in American Samoa and at the New Hong Kong University of Science and Technology. She is a past

board member of the Hawaii Organization of Women Leaders and served a term as the coordinator of the Hawaii Network of the American Council of Education's National Identification Program for Women in Academic Administration.

Dr. Sathre has been nominated for reappointment to the Western Interstate Commission for Higher Education. Her educational background, research, and work experience and responsibilities at the University of Hawaii make her an exceptional nominee for reappointment and will continue to enable the Commission to expand educational access and academic excellence in the West.

As affirmed by the record of votes of the members of your Committee on Higher 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, 5. Noes, none. Excused, none.

SCRep. 21 Higher Education on Gov. Msg. No. 35

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF REGENTS OF THE UNIVERSITY OF HAWAII

G.M. No. 35 DOUGLAS SHINSATO, for a term to expire 06-30-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Douglas Shinsato to possess the requisite qualifications to be nominated to the Board of Regents of the University of Hawaii'i.

Your Committee received testimony in support of the nomination of Douglas Shinsato from nine individuals.

Mr. Shinsato received his Bachelor of Arts and Master of Business Administration in Finance and International Business from the University of Southern California. He subsequently obtained his Doctorate of Jurisprudence from Stanford Law School.

Mr. Shinsato, who is a resident of the Island of Hawaii, has a long career as a consultant and corporate executive. He is currently the Co-Founder of Anthill Ventures, which is a cross-border incubator and advisor to technology start-ups located in India, Southeast Asia, Europe, and the United States, that focuses on tele-education, telehealth, sustainable food production, and cyber security. With his partners in Singapore and India, he concentrates on innovative digital technologies to improve lives through the use of smart phones. Furthermore, he currently serves on the Board of Directors of Creative Intelligence Associates, which is one of Japan's top branding strategy firms that advises clients on leveraging or transforming branding and messaging strategies to increase customer satisfaction, revenues, and profits.

Mr. Shinsato has a deep appreciation for academics. He previously served as an Adjunct Professor at Sophia University and Aoyama Gakuin (in partnership with the University of Hawaii) in Japan where he taught graduate courses in international business, strategic and marketing management, and international finance. Furthermore, he translated from Japanese into English the autobiography of Mitsuo Fuchida who was the leader of the attack on Pearl Harbor. Lastly, based on his research, he wrote *101 Lesser Known Facts About the Attack on Pearl Harbor*, which is a short guide covering the political, economic, and military tensions that led to the United States' involvement in World War II.

According to his personal statement, Mr. Shinsato believes that education is a fundamental building block of a democratic society that is committed to economic growth and job creation. During the span of his career, he has witnessed the key role that education plays in transforming developing countries into developed nations. He desires to share and contribute his knowledge and insights gained from his years of experience in the international business sector to the University of Hawaii.

Your Committee finds that Mr. Shinsato's professional background, experience in teaching, and enthusiasm and commitment to academics will be strong assets to the Board of Regents of the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Higher 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, 5. Noes, none. Excused, none.

SCRep. 22 Judiciary on Gov. Msg. No. 18

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF REGISTRATION OF THE ISLAND OF HAWAII

G.M. No. 18 SHAWN MERRILL, for a term to expire 06-30-2019

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Shawn Merrill to possess the requisite qualifications to be nominated to the Board of Registration of the Island of Hawaii'i.

Your Committee received testimony in support of the nomination for the appointment of Shawn Merrill from the Office of Elections.

Upon review of the testimony, your Committee finds that Ms. Merrill's public service experience and background in the legal profession qualify her to be nominated for appointment to the Board of Registration of the Island of Hawaii'i. Your Committee notes that Ms. Merrill is the Secretary and Interim Chair of the East Hawaii County Republican Party and serves as their State Delegate. She is a member of the Mercedes Benz Club of America (MBCA) and serves as the Hawaii Section MBCA Vice President. Ms. Merrill is actively involved in the Hawaii County 4-H Club and the County Park Planning Committee. Based on her knowledge, experience, and

commitment to public service, your Committee finds that Ms. Merrill will be an asset to the Board of Registration of the Island of Hawai'i.

As affirmed by the record of votes of the members of your Committee on Judiciary 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 (Taniguchi).

SCRep. 23 Government Operations on Gov. Msg. No. 14

Recommending that the Senate advise and consent to the nomination of the following:

ENHANCED 911 BOARD

G.M. No. 14 ROBERT GAUSEPOHL, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Robert Gausepohl to possess the requisite qualifications to be nominated to the Enhanced 911 Board.

Your Committee received testimony in support of the nomination for the appointment of Robert Gausepohl from the Department of Accounting and General Services, Enhanced 911 Board, Hawai'i Police Department, and four individuals.

Your Committee finds that Mr. Gausepohl is presently the Assistant Chief of the Kauai Police Department, where his duties include managing and overseeing operations of the Administrative and Technical Bureau. According to testimony, Mr. Gausepohl is very knowledgeable about issues related to enhanced 911 services and public safety. In his personal statement, Mr. Gausepohl indicated that, if appointed, he will work in collaboration with other members of the Enhanced 911 Board to explore and implement necessary technology and negotiate and assist in the execution of contracts and other duties as needed. Your Committee therefore finds that Mr. Gausepohl's professional experience with enhanced 911 services, as well as his dedication to serving the public, will be great assets to the Enhanced 911 Board.

As affirmed by the record of votes of the members of your Committee on Government Operations that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 4. Noes, none. Excused, 1 (Rhoads).

SCRep. 24 Commerce, Consumer Protection, and Health on Gov. Msg. No. 12

Recommending that the Senate advise and consent to the nomination of the following:

STATE COUNCIL ON MENTAL HEALTH

G.M. No. 12 LOUISE CRUM, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Louise Crum to possess the requisite qualifications to be nominated to the State Council on Mental Health.

Your Committee received testimony in support of the nomination of Louise Crum from the Department of Health and six individuals.

Upon review of the testimony, your Committee finds that Ms. Crum's background, experience, and proven leadership on the State Council on Mental Health qualify her to be nominated for reappointment to the Council as an individual representing the principal state agency with respect to criminal justice. Your Committee notes that Ms. Crum has been in the mental health field for seventeen years and has been the Mental Health Court Coordinator for the Hawaii State Judiciary since 2005. Ms. Crum has been a dedicated member of the State Council on Mental Health since July 2013 and currently serves as the council's Second Vice Chair and her ability to identify trends in service systems and advocate to improve mental health treatment services for Hawaii consumers continues to enhance the effectiveness of the Council. Your Committee further finds that Ms. Crum's enthusiastic participation on the State Council on Mental Health has led to effective and purposeful change in the strategic activities of the council and therefore recommends that Ms. Crum be reappointed to the State Council on Mental Health based on her knowledge, background, and dedication 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 (Espero, Ihara, Nishihara).

SCRep. 25 Commerce, Consumer Protection, and Health on Gov. Msg. No. 32

Recommending that the Senate advise and consent to the nomination of the following:

LANGUAGE ACCESS ADVISORY COUNCIL

G.M. No. 32 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 of Cari Uesugi from the Office of Language Access and two individuals.

Upon review of the testimony, your Committee finds that Ms. Uesugi's background, knowledge, and prior experience on the Language Access Advisory Council qualify her to be nominated for appointment to the council as the representative from the state government. Your Committee notes that Ms. Uesugi has more than thirty years of experience working as a social worker in diverse communities and as a patient advocate in the medical field and is currently the Program Specialist at the Hawaii State Judiciary's Intergovernmental and Community Relations Department in the Office on Equality and Access to the Courts. Ms. Uesugi previously worked as a Patient Relations Advocate for Maui Memorial Medical Center, where she helped implement the Center's Title IV and Language Access Plan, and The Queen's Medical Center. Your Committee further finds that Ms. Uesugi served on the Language Access Advisory Council as a representative from the County of Maui from April 2016 until May 2017, until her relocation to Oahu, and is committed to advocating for Limited English Proficient individuals. Your Committee therefore recommends that Ms. Uesugi be appointed to the vacant state government seat for the Language Access Advisory Council because of her experience, background, 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 (Espero, Ihara, Nishihara).

SCRep. 26 Commerce, Consumer Protection, and Health on Gov. Msg. No. 49

Recommending that the Senate advise and consent to the nomination of the following:

STATE BOXING COMMISSION OF HAWAII

G.M. No. 49 MICHAEL FREITAS, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Michael Freitas to possess the requisite qualifications to be nominated to the State Boxing Commission of Hawaii.

Your Committee received testimony in support of the nomination of Michael Freitas from the Department of Commerce and Consumer Affairs and one individual.

Upon review of the testimony, your Committee finds that Mr. Freitas's background, experience, and dedication to the sport of boxing qualify him to be nominated for appointment to the State Boxing Commission of Hawaii. Your Committee notes that Mr. Freitas has over thirty years of federal, state, and local government experience in the areas of strategic planning, budgeting, procurement, communication, and conflict resolution. Most recently, Mr. Freitas served as the Complaints Officer for the City and County of Honolulu, where he was responsible for advising and handling many of the City and County's more complex complaint-related issues. Your Committee further finds that Mr. Freitas has a thorough understanding of the role and responsibilities of commission members by virtue of his prior experience serving as an appointed member of government committees and commissions and therefore recommends that Mr. Freitas be appointed to the State Boxing Commission of Hawaii based on his knowledge, background, and dedication to enhancing the sport of boxing in Hawaii while ensuring the safety of all boxing participants.

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 (Espero, Ihara, Nishihara).

SCRep. 27 Commerce, Consumer Protection, and Health on Gov. Msg. Nos. 51 and 52

Recommending that the Senate advise and consent to the nominations of the following:

BOARD OF DENTAL EXAMINERS

G.M. No. 51 PEARL ARRINGTON, for a term to expire 06-30-2021; and

G.M. No. 52 SHARON TANAKA, for a term to expire 06-30-2019

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Pearl Arrington and Sharon Tanaka to possess the requisite qualifications to be nominated to the Board of Dental Examiners.

PEARL ARRINGTON

Your Committee received testimony in support of the nomination of Pearl Arrington from the Department of Commerce and Consumer Affairs, Hawaii Dental Hygienists' Association, and five individuals. Your Committee received testimony in opposition of the nomination of Pearl Arrington from the Hawaii Dental Association.

Upon review of the testimony, your Committee finds that Ms. Arrington's background, experience, and commitment to public service qualify her to be nominated for appointment to the Board of Dental Examiners as a dental hygienist member. Your Committee

notes that Ms. Arrington has been in the dental field for over forty years and has been a licensed dental hygienist for thirty-four years, with a primary interest on senior patients. Ms. Arrington is an extremely dedicated member of her profession, has served as a clinical examiner for the Central Regional Dental Testing Service, Inc., for the last ten years, previously served as an examiner for the Hawaii State Dental Hygiene Exam, and has held a variety of leadership positions in the Hawaii Dental Hygienists' Association. Your Committee further finds that Ms. Arrington has a thorough understanding of the role and responsibilities of board members and therefore recommends that Ms. Arrington be appointed to the Board of Dental Examiners based on her knowledge, experience, and dedication to serving her community.

SHARON TANAKA

Your Committee received testimony in support of the nomination of Sharon Tanaka from the Department of Commerce and Consumer Affairs, Hawaii Dental Association, and two individuals.

Upon review of the testimony, your Committee finds that Ms. Tanaka's background, experience, and commitment to public service qualify her to be nominated for appointment to the Board of Dental Examiners as a public member. Your Committee notes that prior to starting her own management consulting company, Ms. Tanaka spent over thirty years as a social worker within the Department of Health's Community Services for the Developmentally Disabled Branch. Ms. Tanaka's extensive professional experience in the areas of family health, child development, and developmental disabilities has also provided her with a broad knowledge base for various health issues that affect children and adults. Your Committee further finds that Ms. Tanaka has a thorough understanding of the role and responsibilities of board members and her public service background in a health-related field will bring a valuable public member perspective to the Board. Your Committee therefore recommends that Ms. Tanaka be appointed to the Board of Dental Examiners based on her knowledge, background, 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 (Espero, Ihara, Nishihara).

SCRep. 28 Economic Development, Tourism, and Technology on Gov. Msg. Nos. 37 and 38

Recommending that the Senate advise and consent to the nominations of the following:

STADIUM AUTHORITY

G.M. No. 37 BRENNON MORIOKA, for a term to expire 06-30-2021; and

G.M. No. 38 AUDREY ABE, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Brennon Morioka and Audrey Abe to possess the requisite qualifications to be nominated to the Stadium Authority.

BRENNON MORIOKA

Your Committee received testimony in support of the nomination for the appointment of Brennon Morioka from the Department of Accounting and General Services, Hawaii Regional Council of Carpenters, and nine individuals.

Your Committee finds that Dr. Morioka is presently the General Manager of Electrification of Transportation at Hawaiian Electric Company and has previous work experience as the Deputy Executive Director for the Honolulu Authority for Rapid Transportation, Vice President and Area Manager at CH2M HILL, and Director for the Hawaii State Department of Transportation. According to testimony, Dr. Morioka has an extensive educational and professional engineering background and is well-respected in the engineering community for his work in the public and private sectors. In his personal statement, Dr. Morioka indicated that he hopes to assist the Stadium Authority and the State in making the best decision on the future use of the current Aloha Stadium and the land on which the Stadium is situated. Your Committee therefore finds that Dr. Morioka's professional experience, as well as his proven leadership and willingness to serve, will be great assets to the Stadium Authority.

AUDREY ABE

Your Committee received testimony in support of the nomination for the appointment of Audrey Abe from the Department of Accounting and General Services and one individual.

Your Committee finds that Ms. Abe is a Certified Public Accountant, Certified General Appraiser, and Owner of ABE APPRAISALS LLC. Her professional work experience includes audit work with the United States Department of Housing and Urban Development, and appraisal work with the 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. According to testimony, Ms. Abe possesses an extensive professional accounting and auditing background, including experience in property appraisal, development, and leasing. In her personal statement, Ms. Abe indicated that she has a sincere interest in the future development possibilities of the Aloha Stadium and surrounding area to help the community for future generations. Your Committee therefore finds that Ms. Abe's professional background as a public accountant and real estate appraiser, as well as her dedication to serving the public, will be great assets to the Stadium Authority.

As affirmed by the records of votes of the members of your Committee on Economic Development, Tourism, 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, 4. Noes, none. Excused, 1 (Taniguchi).

SCRep. 29 Water and Land on Gov. Msg. Nos. 26, 27, 28, and 29

Recommending that the Senate advise and consent to the nominations of the following:

LAND USE COMMISSION

- G.M. No. 26 GARY OKUDA, for a term to expire 06-30-2021;
- G.M. No. 27 LEE OHIGASHI, for a term to expire 06-30-2020;
- G.M. No. 28 LINDA ESTES, for a term to expire 06-30-2021; and
- G.M. No. 29 NANCY CABRAL, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Gary Okuda, Lee Ohigashi, Linda Estes, and Nancy Cabral to possess the requisite qualifications to be nominated to the Land Use Commission.

GARY OKUDA

Your Committee received testimony in support of the nomination for the reappointment of Gary Okuda from the Department of Business, Economic Development, and Tourism; Land Use Commission; Office of Planning; Turtle Bay Resort; W.J. Irish Fine Jewelry; Donna Jung Public Relations; and twenty-one individuals.

Mr. Okuda is a long-time resident of O'ahu, and your Committee finds the nominee meets the requisite qualifications to be nominated to the Land Use Commission as an at-large appointment.

Mr. Okuda is a partner in the law firm of Leu Okuda & Doi in Honolulu. He received a Bachelor of Arts degree from the University of Hawaii at Manoa and a Juris Doctor degree from the University of California, Davis, School of Law. Mr. Okuda presently serves as a Commissioner on the Land Use Commission. He is admitted to the bar in Hawaii, as well as the United States District Court for the District of Hawaii and the United States Court of Appeals for the Ninth Circuit. Mr. Okuda specializes in real estate law and foreclosures.

Your Committee notes the following from the nominee's written responses to questions posed by the Committee:

If confirmed, I promise to continue to follow the law, without bias in favor or against anyone appearing before the Land Use Commission.

* * *

I promise to continue to keep an open mind. I promise to continue to be guided by the provisions of the Hawaii Constitution.

* * *

I will act in accordance with the statutes passed by the Legislature, and I will be guided by the Hawaii State Constitution, which sets forth the common goals, values and heritage of all of Hawaii's people.

Mr. Okuda currently serves on the Land Use Commission. Your Committee notes the testimony of the Department of Business, Economic Development, and Tourism that Mr. Okuda has served admirably on the Commission, working hard and providing significant input. His legal experience has provided valuable insight into land use law rulings and procedural matters. Mr. Okuda is diligent in his preparation and independent in his analysis. He is a valuable addition to the Commission.

LEE OHIGASHI

Your Committee received testimony in support of the nomination of Lee Ohigashi from the Department of Business, Economic Development, and Tourism; Land Use Commission; Office of Planning; 808 Flooring, Inc.; and seven individuals.

Mr. Ohigashi is a long-time resident of Maui, and your Committee finds the nominee meets the requisite qualifications to be nominated to the Land Use Commission to represent Maui County.

Mr. Ohigashi received a Bachelor of Arts degree from the University of Redlands and a Juris Doctor degree from the University of Hawaii William S. Richardson School of Law. He is licensed to practice law in Hawaii. Mr. Ohigashi is a solo practitioner in private law practice in Wailuku, specializing in family law and administrative law. He formerly served as Deputy Corporation Counsel for the County of Maui, where he advised the Planning Department, Water Department, Police and Fire Departments, Public Works Department, and Parks Department. Mr. Ohigashi has served as a commissioner on the Hawaii Criminal Justice Commission, University of Hawaii Board of Regents (Chairman of Community Colleges Committee), State of Hawaii Board for Vocational Education, Research Corporation of the University of Hawaii, and Maui Liquor Commission. Mr. Ohigashi has been active with the Maui Jaycees, Maui Japanese Chamber of Commerce, and Japanese Cultural Association.

Your Committee notes from the nominee's written responses to questions posed by the Committee, "The role of the commission is to ensure that the matters before it are vetted fully and to provide for public participation in the process."

Your Committee further notes the testimony of the Department of Business, Economic Development, and Tourism that Mr. Ohigashi is a well-respected member of the Maui community and has served on a number of boards or commissions throughout the course of his career. He has experience in the workings of organizations like the Land Use Commission and in the role of government in making critical decisions. Mr. Ohigashi's resume illustrates his experience in dealing with complex issues and his grasp of the problems facing Maui and Hawaii in general.

LINDA ESTES

Your Committee received testimony in support of the nomination for the reappointment of Linda Estes from the Department of Business, Economic Development, and Tourism; Land Use Commission; Office of Planning; Kaua'i County Council; Kauai Island Finance, Inc.; and two individuals.

Ms. Estes has been a resident of Kaua'i for over fifteen years, and your Committee finds the nominee meets the requisite qualifications to be nominated to the Land Use Commission to represent Kaua'i County.

Linda Estes received a Bachelor of Arts degree in Health, Physical Education, and Recreation; Master of Arts degree in Recreation Administration; and Master of Science degree in Public Administration from the University of New Mexico. Ms. Estes has served on the Land Use Commission since 2015. She is the recipient of numerous awards and honors bestowed by the State of New Mexico and the University of New Mexico.

Your Committee notes from the nominee's written responses to questions posed by the Committee, "I have followed the issues of land use since I moved to Kauai seventeen years ago. I believe that the 1961 Land Use Law was very progressive legislation and I am interested in continuing to be a part of the process of preserving, protecting and making the best use of Hawaii's lands."

Your Committee further notes from the testimony of the Department of Business, Economic Development, and Tourism that Ms. Estes is well known for her concern with the workings of government. She has always been active in promoting her community's interests and those of the State as a whole. She has shown the ability to bring a measure of practicality to Commission discussions and a balancing of public policy issues.

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; Land Use Commission; Office of Planning; and two individuals.

Ms. Cabral is a long-time resident of the Island of Hawai'i, and your Committee finds the nominee meets the requisite qualifications to be nominated to the Land Use Commission to represent Hawai'i County.

Nancy Cabral is the President of Day-Lum, Inc.; Day-Lum Rentals & Management, Inc.; and Coldwell Banker Day-Lum Properties. Day-Lum Rentals & Management is the largest property management company on the Big Island with more than twenty-six employees and manages over 650 individual homes, 230 commercial properties, 21 residential and commercial condominium associations, and 13 subdivision associations, and oversees six U.S. Department of Housing and Urban Development projects on the Big Island.

Ms. Cabral is active in community service organizations and projects on the Big Island. She was recently awarded the Athena Award for her success in helping women in the community and workplace.

Your Committee notes the following from the nominee's written responses to questions posed by the Committee:

It is the duty of the Land Use Commission to protect the current agricultural lands of Hawaii. The Commission is to check the land for historical remains that should be protected, cultural practices that need to be accommodated into the future and the community needs and concerns that should be considered when any change is being requested.

* * *

As a Commissioner I have a responsibility to the entire State of Hawai'i and all our Ohana to make the best decision possible, not necessarily the popular decision, for the current times and generations into the future.

Your Committee further notes the testimony of the Department of Business, Economic Development, and Tourism that Ms. Cabral has been a welcome addition to the Commission. Her business acumen and candid nature are welcome in the Commission's deliberations. She has proven to be adept in the balancing of key concerns with economic development. She is a well-respected member of the Commission and valuable to its mission.

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.

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

SCRep. 30 Water and Land on Gov. Msg. Nos. 30 and 31

Recommending that the Senate advise and consent to the nominations of the following:

KĀNE'OHE BAY REGIONAL COUNCIL

G.M. No. 30 CLAYTON HANAGAMI, for a term to expire 06-30-2021; and

G.M. No. 31 CLIFFORD LOO, for a term to expire 06-30-2021

Your Committee has reviewed the personal histories, resumes, and statements submitted by the nominees and finds Clayton Hanagami and Clifford Loo to possess the requisite qualifications to be nominated to the Kāne'ohe Bay Regional Council.

CLAYTON HANAGAMI

Your Committee received testimony in support of Clayton Hanagami from the Department of Land and Natural Resources, Ko'olaupoko Hawaiian Civic Club, and Ko'olau Foundation.

Clayton Hanagami received a Bachelor of Business Administration degree from the University of Hawaii College of Business Administration. Until recently, he was the owner and operator of Watersports, Inc., a small sailing and snorkeling operator in Kaneohe

Bay, for twenty-three years. He was also a bookkeeper with Kaneohe Bay Cruises, Inc., and Mid Pacific of Hawaii, Inc., both operating on Kaneohe Bay.

Your Committee notes from the testimony of the Department of Land and Natural Resources that the Department appreciates the wealth of knowledge and wisdom that Mr. Hanagami brings from the commercial business point of view. He will be a valuable asset to the Kāneʻohe Bay Regional Council.

Your Committee further notes from Mr. Hanagami's responses to your Committee's written questions that he has experience as a commercial operator in Kaneohe Bay. He was a participant in the formation of the Kaneohe Bay master plan and has been designated to represent commercial operators' interests on the Council. Although Mr. Hanagami recently retired and no longer possesses a commercial operator's license, your Committee explored his eligibility to serve on the Council and finds his experience qualifies him to fulfill the statutory requirements of section 200D-2, Hawaii Revised Statutes, which requires voting members of the Council to include one representative from the Kaneohe Bay Commercial Operators Association, among other organizations.

CLIFFORD LOO

Your Committee received testimony in support of Clifford Loo from the Department of Land and Natural Resources and Aha Moku Advisory Committee, Koʻolaupoko Hawaiian Civic Club, Koʻolau Foundation, and one individual.

Clifford Loo has and continues to serve on the Kahaluʻu Neighborhood Board for over five years. Mr. Loo has thirty-six years of experience as a laborer, heavy equipment operator, truck driver of ten-ton dump trucks, semi trucks, and forty-foot lowboy trucks, moving equipment from one jobsite to another. He served for six years in the United States Army on the continental United States and in Korea, where he was a heavy equipment mechanic. Mr. Loo has worked for various large companies in construction work. He retired in 2004.

Your Committee notes the testimony of the Aha Moku Advisory Committee that Mr. Loo is uniquely suitable for the important task of supporting the ecosystem in Kaneohe Bay. His experience and life-long dedication to Kaneohe as a resident and advocate for the protection of the natural and cultural resources of the Kaneohe Ahupuaʻa makes him the right person for the Council. Mr. Loo is avid in the protection of the resources of Kaneohe Bay. He will strive to protect and sustain Kaneohe Bay so that future generations can enjoy the same privileges people today enjoy while accessing the bay. There are many who consider him an expert in the native plants, trees, and marine issues of Kaneohe. He understands the importance of the watershed to the health of Kaneohe Bay. Your Committee finds that Mr. Loo's experience qualifies him to serve as the voting member of the Council representing the Kahaluʻu Neighborhood Board.

As affirmed by the records of votes of the members of your Committee on Water and Land that are attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominees, has found the nominees to be qualified for the positions to which nominated and recommends that the Senate advise and consent to the nominations.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 31 Judiciary on Gov. Msg. No. 61

Recommending that the Senate advise and consent to the nomination of the following:

HAWAIʻI SISTER STATE COMMITTEE

G.M. No. 61 JEAN ROLLES, for a term to expire 06-30-2020

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Jean Rolles to possess the requisite qualifications to be nominated to the Hawaiʻi Sister State Committee.

Your Committee received testimony in support of the nomination for the appointment of Jean Rolles from the Department of Business, Economic Development, and Tourism.

Your Committee finds that Ms. Rolles' extensive professional career has allowed her to travel internationally, having previously served as the Vice President of Community Relations at Outrigger Enterprises, Inc., and as a Property Manager for Outrigger Hotels Hawaii. She also holds a Hawaii Real Estate License and is a Certified Property Manager. According to testimony, Ms. Rolles remains very active in the community as she currently serves on boards of several organizations, including the American Red Cross, Hawaii Chapter; C. Brewer & Company, Ltd.; Chaminade University; Crown Prince Akihito Scholarship Foundation; Hawaii Opera Theatre; Honolulu Museum of Art; Japan America Society of Honolulu; Nature Conservancy of Hawaii; Pacific Asian Affairs Council; and Pacific Forum. In her personal statement, Ms. Rolles indicated that she has always been interested in international affairs and has gained valuable experience in serving on boards that promote understanding and friendships within the Pacific Rim. Your Committee therefore finds that Ms. Rolles' past experiences in international affairs, as well as her dedication to serving the public, will be great assets to the Hawaiʻi Sister State Committee.

As affirmed by the record of votes of the members of your Committee on Judiciary 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 (Gabbard, Thielen).

SCRep. 32 Ways and Means on Gov. Msg. No. 25

Recommending that the Senate advise and consent to the nomination of the following:

BOARD OF TAXATION REVIEW, 3RD TAXATION DISTRICT (HAWAII)

G.M. No. 25 Christopher Hannigan, for a term to expire 06-30-2020

Your Committee reviewed the personal statement and resume submitted by Christopher Hannigan for service on the Board of Taxation Review for the 3rd Taxation District (Hawaii).

Your Committee received testimony in support of the nomination of Christopher Hannigan from the Department of Taxation.

Upon review of the testimony and the nominee's qualifications, your Committee finds that the nominee's knowledge of business, accounting, and taxation qualify him to serve on the Board of Taxation Review for the 3rd Taxation District. Your Committee notes that Mr. Hannigan received a Bachelor degree in Business Administration from the University of Hawaii at Hilo and has over ten years of accounting and taxation experience. Mr. Hannigan's professional experience includes seven years as the president and chief executive officer of a local accounting firm that provides general accounting and tax preparation services. Your Committee further notes that Mr. Hannigan is certified by the United States Department of the Treasury as an enrolled agent of the Internal Revenue Service.

Your Committee finds that Christopher Hannigan's extensive business experience in accounting and taxation will benefit the Board of Taxation Review as it resolves complex tax matters and administers Hawaii's taxation laws 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, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.

Ayes, 8. Noes, none. Excused, 3 (Galuteria, Kidani, Shimabukuro).

SCRep. 33 Water and Land on Gov. Msg. No. 40

Recommending that the Senate advise and consent to the nomination of the following:

DEPUTY TO THE CHAIRPERSON OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES

G.M. No. 40 ROBERT MASUDA, for a term to expire 12-03-2018

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Robert Masuda to possess the requisite qualifications to be nominated as the Deputy to the Chairperson of the Board of Land and Natural Resources.

Your Committee received testimony in support of Robert Masuda from the Department of Land and Natural Resources; Department of Accounting and General Services; Department of Transportation; Kaho'olawe Island Reserve Commission; The Nature Conservancy; Hawaii Conservation Alliance Foundation; Aha Moku Advisory Committee group; and ten individuals. Your Committee received comments from one individual.

Robert K. Masuda served as the First Deputy Director of the Department of Land and Natural Resources from May 2005 to May 2007. Mr. Masuda assisted the department with its responsibilities for the long-term sustainable management, maintenance, protection, and utilization of existing and potential ocean, land, natural, and cultural resources of the State of Hawaii in an integrated manner and in partnership with others from the public and private sectors. Special assignments included oversight of divisions with challenging issues, department leadership with two critical natural disasters, along with general management assistance to the Chair of all eleven department divisions and offices. He was the department representative on the Aloha Tower Development Corporation, Agribusiness Development Corporation, Information Technology Governance Committee, Natural Area Reserve System Commission, and the Hawaii Association of Conservation Districts. His personal areas of interest include environmental education, cultural and natural resource protection and relationships, and forestry and marine life sustainability. Mr. Masuda also served for one year as the Director of the Department of Parks and Recreation for the City and County of Honolulu. Most recently, he was a senior advisor to the United States Department of Agriculture's Institute for Pacific Islands Forestry.

Mr. Masuda was very active for more than fifty-five years in the YMCA organization in Hawaii, the continental United States, and around the world. His experience includes complex international work requiring sensitive negotiations and trouble-shooting, often through interpreters, in four continents, the Pacific, Middle East, and across the United States. Mr. Masuda installed strong budget controls; maintained community and government leader contacts; selected and developed personnel at all supervisory levels; initiated and managed contracts worth several millions of dollars annually; organized management teams at local, metropolitan, and national YMCA levels; and was active in the community as a board member of a variety of non-profit organizations. He continues his active leadership post retirement in guiding, promoting, and advocating for science research and the advancement of natural and cultural resources.

Your Committee notes the following from the nominee's written responses to questions posed by the Committee regarding the role and jurisdiction of the Department of Land and Natural Resources:

My understanding of the role & jurisdiction of DLNR is to advance the Mission of DLNR, which is to "*enhance, protect, conserve and manage Hawai'i's unique and limited natural, cultural and historic resources held in public trust for current and future generations of the people of Hawai'i nei, and its visitors, in partnership with others from the public and private sectors.*" (Emphasis in original)

DLNR's role & jurisdiction includes administering the public lands and resources with respect to native Hawaiian issues and concerns, the public land trust obligations, and the recognition of native Hawaiian cultural values that are intrinsically tied to the 'aina.

The testimony of the Department of Land and Natural Resources indicates that Mr. Masuda is well-respected. He has extensive experience dealing with a variety of people and issues. During his prior term as the Deputy Director, he exhibited excellent leadership

skills and brought a lot of positive energy to the department. His ability to listen and communicate is widely recognized. The Department is confident that Mr. Masuda will bring back those same leadership skills, energy, analytical skills, clear sense of purpose, and passion for natural and cultural resource protection and education.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee, after full consideration of the background, experience, and qualifications of the nominee, has found the nominee to be qualified for the position to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

SCRep. 34 Labor on Gov. Msg. Nos. 59 and 60

Recommending that the Senate advise and consent to the nominations of the following:

HAWAII LABOR RELATIONS BOARD

- G.M. No. 59 MARCUS OSHIRO, for a term to expire 06-30-2018; and
G.M. No. 60 MARCUS OSHIRO, for a term to expire 06-30-2024

Your Committee has reviewed the personal history, resume, and statement submitted by the nominee and finds Marcus Oshiro to possess the requisite qualifications to be nominated to the Hawai'i Labor Relations Board.

Your Committee received testimony in support of the nomination for the appointment and reappointment of Marcus Oshiro from the Department of Labor and Industrial Relations; Department of Transportation; United Public Workers, AFSCME, Local 646, AFL-CIO; State of Hawaii Organization of Police Officers; ILWU Local 142; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; General Contractors Association of Hawaii; Chamber of Commerce Hawaii; Hawaii State Teachers Association; University of Hawaii Professional Assembly; Ralph S. Inouye Co., Ltd.; and twelve individuals.

Upon review of the testimony, your Committee finds that Mr. Oshiro's professional experience and background in government qualify him to be nominated for appointment and reappointment as Chairperson of, and Representative of the Public to, the Hawai'i Labor Relations Board. Mr. Oshiro is an attorney and has served in the House of Representatives for over two decades, including time serving as Chair of the Committee on Finance and as chair of committees with purviews over labor and public employment matters. In 2011, he also served as the Chair of the Council of State Governments (CSG)-WEST at its annual meeting in Honolulu. Mr. Oshiro is also a member of the Hawaii State Bar Association, Hawaiian Civic Club of Wahiawa, Gushikawa Shojin Kai, Wahiawa Lions Club, and Wahiawa Community and Business Association. Based on his knowledge, experience, and commitment to public service, your Committee finds that Mr. Oshiro will be an asset to the Hawai'i Labor Relations Board.

As affirmed by the records of votes of the members of your Committee on 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 positions to which nominated and recommends that the Senate advise and consent to the nomination.

Signed by the Chair on behalf of the Committee.
Ayes, 5. Noes, none. Excused, none.

NUMBER AND TITLE	Received Referred	First Reading	Second Reading	Third Reading	Action of House	Conference Committee	Final Action	Action of Governor	Further Action	Act No.	Vetoed
S.B. No. 1 RELATING TO TRANSPORTATION FINANCING.	3 3	3									
S.B. No. 2 RELATING TO PUBLIC EMPLOYMENT COST ITEMS.	3 3	3	5	10	52			51		3	
S.B. No. 3 RELATING TO PUBLIC EMPLOYMENT.	3 3	3	5	10	52			51		2	
S.B. No. 4 RELATING TO GOVERNMENT.	3 3	3	5	10	52			51		1	

NUMBER AND TITLE	Offered	Referred	Report of Committee	Adoption
S.R. No. 1 AMENDING RULE 16 OF THE RULES OF THE SENATE OF THE TWENTY-NINTH LEGISLATURE OF THE STATE OF HAWAII.	1			1
S.R. No. 2 AUTHORIZING THE PRESIDENT TO APPROVE THE JOURNAL OF THE SENATE ON THIS FINAL DAY OF THE FIRST SPECIAL SESSION OF 2017.	49			49
S.R. No. 3 INFORMING THE HOUSE AND GOVERNOR THAT THE SENATE IS READY TO ADJOURN SINE DIE.	49			49